

**MERIDIAN RANCH METROPOLITAN DISTRICT (MRMD)
MERIDIAN SERVICE METROPOLITAN DISTRICT (MSMD)
MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT (MRMD 2018 Subdistrict)
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 2022
Bill Gessner	Asst. Secretary/Treasurer	May 2023
Mike Fenton	Asst. Secretary/Treasurer	May 2023
Tom Sauer	Asst. Secretary/Treasurer	May 2022

DATE: Wednesday, July 7, 2021

TIME: 10:00 a.m.

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

NOTE this meeting will be held in person with current Covid protocols in place.

The Public may participate in person or by following this link :

https://teams.microsoft.com/l/meetup-join/19%3ameeting_NGUzZDY5YjctOWMxZS00MjdmLTg2ZmMtYzNiYjA3YjgxNjk4%40thread.v2/0?context=%7b%22Tid%22%3a%22ddb1e07-ec1e-4dc6-8ef3-1a31c2da785b%22%2c%22Oid%22%3a%22778ad138-ba67-4d4d-bdb1-39557c30639d%22%7d

or by telephone by calling +1 872-242-8662 and using Phone Conference ID:693339970#

Please comply with the Governor's Executive Orders and State Public Health Orders.

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 June 9, 2021, Combined 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 9***
- B. Review Tap Fee Report for Information Only (enclosure and/or distributed under separate cover) ***Page 18***
- C. Review, Ratify and Approve Monthly Payment of Claims (enclosure and/or distributed under separate cover) ***Page 20***
- 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) **Page 25**
2. Manager’s Verbal Report

B. Action Items

1. Ratify Agreement with Sterling Ranch for 90 days extension of payment for taps. **Page 29**
2. Ratify Agreement with Cherokee Metropolitan District for contribution to development of a Replacement Plan. **Page 31**

IV. DEVELOPER ITEMS:

- A. Verbal Report from Construction Manager

V. DIRECTOR ITEMS:

- A.

VI. LEGAL ITEMS:

- A. Enter into Executive Session pursuant to C.R.S. 24-6-402(4)(b) to receive legal advice regarding arbitration/post-arbitration matters with Cherokee Metropolitan District

VIII. ADJOURNMENT:

The next regular meeting of the Boards is scheduled for Wednesday, August 4, 2021, at 10:00 a.m. at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831.

RON FANO
DIRECT DIAL: 303-839-3820
rfano@spencerfane.com

June 10, 2021

Meridian Service Metropolitan District
ATTN: Jim Nikkel, General Manager
11886 Stapleton Drive
Falcon, CO 80111

Re: Opinion Concerning Executive Session Held June 9, 2021

Dear Mr. Nikkel:

In my opinion, the executive session concerning the arbitration/post arbitration matters with Cherokee Metropolitan District that occurred during the Board meeting that I attended via teleconference on June 9, 2021 was properly announced and was a privileged attorney-client communication. Therefore, no record or electronic recording of the executive session was required pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Sincerely,

SPENCER FANE LLP



Ronald L. Fano

RECORD OF PROCEEDINGS

**MINUTES OF THE COMBINED REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF THE
MERIDIAN RANCH METROPOLITAN DISTRICT (MRMD)
MERIDIAN SERVICE METROPOLITAN DISTRICT (MSMD)
MERIDIAN RANCH METROPOLITAN DISTRICT 2018 SUBDISTRICT (MRMD 2018 Subdistrict)**

Held: June 9, 2021, 10:00 a.m., at the Meridian Ranch Recreation Center, 10301 Angeles Road, Peyton, Colorado 80831

Attendance: The following Directors were in attendance:

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

Also present were:

Jim Nikkel; Meridian Service Metro District
Jennette Coe; Meridian Service Metro District
Carrie Billingsly; Meridian Service Metro District (via teleconference)
Beth Aldrich; Meridian Service Metro District
Braden McCrory; Meridian Service Metro District
Ryan Kozlowski; Meridian Service Metro District
Jamie Cotter; Spencer Fane (via teleconference)
Ron Fano; Spencer Fane (via teleconference)
Tom Kerby; Tech Builders (via teleconference)
Zachary Bishop; Piper Sadler (via teleconference)
Nancy Lowe; Homeowner (via teleconference)

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 10:03 A.M.

Disclosure Matter Ms. Cotter noted that written disclosures of the interests of all directors have been filed with the Secretary of State.

Approve Agenda The Board reviewed the Agenda. A motion was made and seconded to amend the agenda by moving the Executive Session to 11:00 A.M. to accommodate Mr. Fano's schedule. The motion was approved by unanimous vote of directors present.

Visitor Comments Ms. Lowe had concerns regarding the following topics.

RECORD OF PROCEEDINGS

- Landscaping maintenance, dead trees need to be replaced, watering schedule needs to be examined and invasive weeds need to be removed.
- Maintenance of the indoor pool, keeping it clean and heated.
- Elevator at the Recreation Center not working.
- Roof leaking at the Recreation Center.
- New Recreation Center Administration Manager. Looking forward to seeing what new activities will be added.

Approve Minutes The Board reviewed the May 5, 2021 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 April 2021. 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 2021 Tap Fee Report: Ms. Coe reviewed the May 2021 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:

MRMD: Check # 2272-2277 totaling \$6,107.25

MSMD: Bill.com payments totaling \$279,276.82

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

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

**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 21-22 of the Board Packet.
- Mr. Kozlowski presented the Recreation Center Report to the Board which included information from page 20 of the Board Packet. Mr. Kozlowski also noted:
 - Ms. Orth will be handing over the newsletter to Ms. Blamey in August.

RECORD OF PROCEEDINGS

- A flow valve sensor went out in the indoor pool this caused the closure of the pool for four days. It has since been repaired and in good working order.
- A severe hailstorm in May might have been responsible for a leak in the roof at the Recreation Center. We have someone scheduled to come look at it.
- The Elevator at the Recreation Center was out of order for a day but has been repaired.

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

- LFH Well 5 is substantially complete.
- LFH Well 8 is scheduled for start-up today. Temporary Power will be required due to inability of MVEA to obtain a Storm Water Permit from El Paso County to begin work.
- LFH Well 7 is still scheduled for a mid-July start-up.
- We are receiving a large number of complaints about dead trees.
- 2020 CCR has been posted to the website. A link to its website location was included in the June customer invoices so that mailing of the report will not be necessary.
- Working on setting up facility tours with staff.

Legal Items

Receive legal advice regarding arbitration/post-arbitration matters with Cherokee Metropolitan District.

A motion was made, un-seconded and approved by unanimous vote of directors present to open an Executive Session pursuant to C.R.S. 24-6-402(4)(b) to receive legal advice regarding arbitration/post-arbitration matters with Cherokee Metropolitan District.

A motion was made, seconded and approved by unanimous vote of directors present to close the executive session. There was no reportable action.

Action Items:

1. Ratify Construction Services Agreement with Applied Ingenuity for repairs related to Well LFH 1, \$59,746.00.

A motion was made and seconded to ratify Construction Services Agreement with Applied Ingenuity for repairs related to Well LFH 1, \$59,746.00. The motion was approved by unanimous vote of directors present.

RECORD OF PROCEEDINGS

2. Ratify Construction Service Agreement with Frazee Construction Co. for installation of potable water by-pass line, \$32,730.00.

A motion was made and seconded to ratify a Construction Service Agreement with Frazee Construction Co. for installation of potable water by-pass line, for \$32,730.00.

The motion was approved by unanimous vote of directors present.

3. Ratify Contract with Western Enterprises, Inc. for Falcon Freedom Days Fireworks, \$26,250.00.

A motion was made and seconded to ratify a Contract with Western Enterprises, Inc. for Falcon Freedom Days Fireworks for \$26,250.00.

The motion was approved by unanimous vote of directors present.

4. Ratify Change Order No. 3, Hydro Resources-Rocky Mountain Inc, for addition of temporary power generation, \$43,487.18.

After discussion, the Board decided to table this item to be evaluated at a future time.

Developer Items

Mr. Guzman provided a verbal report to the Board on the status of Meridian Ranch development activities.

- Paving of Rex Road is complete with minimal interruptions to the Filter Plant.
- Rolling Hills Ranch has been delayed five to six weeks due to weather. The date was moved to the middle of August for the first lot to be sold.
- El Paso County is holding up power line down Eastonville Rd.
- Century and St Aubyn Homes have purchased one hundred lots. St Aubyn could be requesting sixty taps between August 1st and September 1st.
- Grading in Fil #2, adding 100 lots.

Director Items

There were none.

Legal Items

Discussion regarding potential changes to structure of the district's employee organizational chart.

A motion was made, seconded, and approved by unanimous vote of directors present to open an Executive Session pursuant to C.R.S. Section 24-6-402(4)(f) to continue Board discussion regarding potential changes to structure of the district's employee organizational chart.

A motion was made, seconded and approved by unanimous vote of directors present to close the executive session. There was no reportable action.

RECORD OF PROCEEDINGS

Adjournment

There being no further business to come before the Board, the President adjourned the meeting at 1:05 P.M.

The next regular meeting of the Boards is scheduled for July 7, 2021, at 10:00 a.m. 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 May 31, 2021
Adjusted as of June 30, 2021**

	CHECKING Wells Fargo
Account Activity Item Description	
Cash balance at end of period	\$ 3,360,151
June activity:	
Utility billing from residents	552,713
Recreation Center fees	13,796
Tap fees and meter fees (In)	195,495
Tap fees transferred to MRMD (Out)	(242,000)
Hydrant & Temp License Deposits	2,000
AT&T, Falcon Freedom Days and reimbursements	108,935
Payroll	(143,502)
June checks and automatic payments	
Operations incl. interim checks	(434,091)
Interest, fees and returned checks	(634)
Sub-total	3,412,862
July 7th payment Estimate	(902,000)
Adjusted balance	\$ 2,510,862
Restricted Funds as of May 31, 2021 to transfer:	
Conservation Trust Funds	-
5% Reserve Fund	(94,167)
Sewer Reserve Fund	(11,990)
Capital Project Funds	(1,767,343)
Rate Stabilization Fund	10,833
Adjusted Unrestricted Balance	\$ 648,195

**MERIDIAN SERVICE METROPOLITAN DISTRICT
CASH POSITION RECONCILED TO GENERAL LEDGER
CASH POSITION SUMMARY
For the Period Ended May 31, 2021
Adjusted as of June 30, 2021**

Account Activity Item Description	Checking Wells Fargo	Petty Cash	INVESTMENTS ColoTrust Plus					TOTAL ALL ACCOUNTS
			Conservation Trust Funds	5% Reserve	Sewer Reserve (\$2)	Capital Project Funds	Rate Stabilization Funds	
Cash balance at end of period	3,360,151.17	406	11,824	1,673,882	349,863	4,222,888	683,811	10,302,825
June activity:								
Utility billing from residents	552,713	-	-	-	-	-	-	552,713
Recreation Center fees	13,796	-	-	-	-	-	-	13,796
Tap fees and meter fees (In)	195,495	-	-	-	-	-	-	195,495
Tap fees transferred to MRMD (Out)	(242,000)	-	-	-	-	-	-	(242,000)
Hydrant & Temp License Deposits	2,000	-	-	-	-	-	-	2,000
AT&T, Falcon Freedom Days and reimbursements	108,935	-	-	-	-	-	-	108,935
Payroll	(143,502)	-	-	-	-	-	-	(143,502)
June checks and automatic payments								-
Operations incl. interim checks	(434,091)	-	-	-	-	-	-	(434,091)
Interest, fees and returned checks	(634)	-	-	-	-	-	-	(634)
Sub-total	3,412,862	406	11,824	1,673,882	349,863	4,222,888	683,811	10,355,537
July 7th payment Estimate	(902,000)	-	-	-	-	-	-	(902,000)
Adjusted balance	2,510,862	406	11,824	1,673,882	349,863	4,222,888	683,811	9,453,537
Less restricted funds as of May 31, 2021:								
Petty Cash	-	(406)	-	-	-	-	-	(406)
Conservation Trust Funds	-	-	(11,824)	-	-	-	-	(11,824)
5% Reserve Fund	(94,167)	-	-	(1,673,882)	-	-	-	(1,768,049)
Sewer Reserve Fund	(11,990)	-	-	-	(349,863)	-	-	(361,853)
Capital Project Funds	(1,767,343)	-	-	-	-	(4,222,888)	-	(5,990,231)
Rate Stabilization Fund	10,833	-	-	-	-	-	(683,811)	(672,978)
Unrestricted cash balance	\$ 648,195	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 648,195

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 Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
General Revenue - Fund 10	\$2,020	\$274,666	\$286,910	(\$12,244)	95.7%
Parks/Grounds Revenue - Fund 15	91,596	452,904	1,107,175	(654,271)	40.9%
Rec Center Revenue - Fund 16	161,809	779,920	1,889,250	(1,109,330)	41.3%
Water Revenue - Fund 40	217,269	1,018,106	3,150,000	(2,131,894)	32.3%
Sewer Revenue - Fund 50	199,595	766,586	3,107,525	(2,340,939)	24.7%
Billing Fees	4,178	16,535	71,400	(54,865)	23.2%
Grant Revenue	272	12,060	35,000	(22,940)	34.5%
Interest Income	37,504	39,140	-	39,140	-
Miscellaneous Income	(1,000)	13,711	-	13,711	-
TOTAL REVENUES	713,243	3,373,630	9,647,260	(6,273,631)	35.0%
EXPENSES					
Capital Expenses					
Capital Expense - Other	4,546	95,024	1,630,000	(1,534,976)	5.8%
Capital Expense P&G Fund 15	-	-	300,000	(300,000)	-
Capital Expense MRRC Fund 16	-	-	350,000	(350,000)	-
Capital Expense Water Fund 40	385,467	2,689,903	6,115,000	(3,425,097)	44.0%
Capital Expense Sewer Fund 50	10,643	800,181	1,295,000	(494,819)	61.8%
Capital Outlay - Vehicle	-	70,629	131,900	(61,271)	53.5%
Developer Reimbursements	-	-	750,000	(750,000)	-
TOTAL Capital Expenses	400,656	3,655,738	10,571,900	(6,916,162)	34.6%
Total Fund & General Expenses					
General & Admin. Expense	75,347	661,419	805,015	(143,596)	82.2%
Personnel Expenses	145,879	708,055	2,365,640	(1,657,585)	29.9%
Parks/Grounds Expense - Fund 15	35,485	82,998	427,500	(344,502)	19.4%
MRRC Expense - Fund 16	14,837	102,545	390,000	(287,455)	26.3%
Water Expense - Fund 40	31,638	96,227	508,010	(411,783)	18.9%
Sewer Expense - Fund 50	104,321	263,067	696,300	(433,233)	37.8%
General Operating Expenses	79,692	408,256	1,063,733	(655,477)	38.4%
TABOR Emergency Reserve 3%	-	-	8,610	(8,610)	-
TOTAL Total Fund & General Expenses	487,198	2,322,567	6,264,808	(3,942,241)	37.1%
TOTAL EXPENSES	887,853	5,978,304	16,836,708	(10,858,404)	35.5%
EXCESS REVENUES OVER (UNDER) EXPENSES	(174,611)	(2,604,675)	(7,189,448)	4,584,773	36.2%
Other Financing Sources (Uses)					
Tap Fees Received	93,000	1,324,000	3,500,000	(2,176,000)	37.8%
Tap Fees Transferred to MRMD	(21,000)	(759,000)	(3,500,000)	2,741,000	21.7%
Transfer from (to) MRMD	-	-	750,000	(750,000)	-
Transfer from (to) Other Funds	(47,683)	(238,049)	(572,048)	333,999	41.6%
Emergency Reserve (5%)	47,083	235,417	565,000	(329,583)	41.7%
Emergency Reserve (\$2) - Sewer	6,018	29,716	72,048	(42,332)	41.2%
Rate Stabilization Reserve	(5,417)	(27,083)	(65,000)	37,917	41.7%
TOTAL Other Financing Sources (Uses)	72,000	565,000	750,000	(185,000)	75.3%
NET CHANGE IN FUND BALANCE	(\$102,611)	(\$2,039,675)	(\$6,439,448)	\$4,399,773	31.7%
BEGINNING FUND BALANCE**		12,463,790			
ENDING FUND BALANCE		<u>\$10,424,115</u>			
Operating Capital Fund Balance		7,623,627			
Emergency Reserve Fund Balance 5%		1,767,556			
Sewer Reserve Fund Balance \$2		360,016			
Rate Stabilization Fund Balance		672,917			
Total Fund Balance		<u>\$10,424,115</u>			

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 Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
IGA - Meridian Ranch	-	\$260,000	\$260,000	-	100.0%
AT&T Lease	1,469	7,247	18,310	(11,063)	39.6%
Newsletter Contrib.	320	2,080	4,800	(2,720)	43.3%
MSMD Office Sub-Lease	231	5,339	3,800	1,539	140.5%
Grant Revenue	240	240	-	240	-
Interest Income	82	493	-	493	-
Miscellaneous Income	-	163	-	163	-
TOTAL REVENUES	2,342	275,563	286,910	(11,347)	96.0%
EXPENSES					
Accounting	(233)	41	1,100	(1,059)	3.7%
Audit	342	342	14,500	(14,158)	2.4%
Payroll & HR Services	4,708	16,218	43,800	(27,582)	37.0%
Engineering/Consulting	228	726	700	26	103.7%
Legal	8,352	35,857	30,000	5,857	119.5%
Personnel Expenses	1,777	8,692	35,215	(26,523)	24.7%
Copier - Contract Expenses	-	1,165	6,605	(5,440)	17.6%
IT/Computer/Software	178	1,501	10,000	(8,499)	15.0%
Rent - Shared	3,711	17,909	75,000	(57,091)	23.9%
Telephone & Internet	64	393	700	(307)	56.2%
Telephone & Internet - Shared	833	3,812	7,725	(3,913)	49.4%
Utilities - Shared	523	2,878	6,695	(3,817)	43.0%
Supplies	2	1,278	3,100	(1,822)	41.2%
Licenses,Certs & Memberships	-	497	1,000	(503)	49.7%
Subscriptions	-	55	700	(645)	7.9%
Bank Charges	-	138	500	(362)	27.6%
Public Information	-	-	500	(500)	-
Meals & Entertainment	113	961	200	761	480.4%
Miscellaneous Expense	-	315	1,000	(685)	31.5%
COVID Expense	-	(160)	3,200	(3,360)	
Insurance	345	1,926	3,500	(1,574)	55.0%
Customer Refunds Tracking	(186)	-	-	-	-
Vehicle, Equipment & Travel	176	1,129	3,000	(1,871)	37.6%
TABOR Emergency Reserve 3%	-	-	8,610	(8,610)	-
TOTAL EXPENSES	20,933	95,673	257,350	(161,677)	37.2%
NET CHANGE IN FUND BALANCE	(\$18,591)	\$179,889	\$29,560	\$150,329	
BEGINNING FUND BALANCE**		66,441			
ENDING FUND BALANCE		<u><u>\$246,330</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 Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
Parks & Grounds Fees	\$76,706	\$379,438	\$927,150	(\$547,712)	40.9%
Street Lighting Fees	14,890	73,466	180,025	(106,559)	40.8%
Billing Fees	1,044	4,134	17,850	(13,716)	23.2%
Grant Revenue	-	11,788	35,000	(23,212)	33.7%
Interest Income	1	35	-	35	-
Miscellaneous Income	-	1,817	-	1,817	-
TOTAL REVENUES	92,641	470,678	1,160,025	(689,347)	40.6%
EXPENSES					
General & Admin. Expense					
Accounting	(881)	154	4,550	(4,396)	3.4%
Customer Billing Services	2,730	9,013	11,040	(2,027)	81.6%
Engineering/Consulting	865	2,752	3,500	(748)	78.6%
Legal	-	117	2,500	(2,383)	4.7%
Personnel Expenses	13,569	54,244	246,875	(192,631)	22.0%
General Operations - Admin	676	7,405	9,900	(2,495)	74.8%
TOTAL General & Admin. Expense	16,959	73,685	278,365	(204,680)	26.5%
Operating Expense					
Landscape Repair & Maint.	33,678	79,311	364,500	(285,189)	21.8%
Hardscape Repair & Maint.	-	-	21,000	(21,000)	-
Park Maint.	1,709	3,430	27,000	(23,570)	12.7%
Pond Maint.	98	257	15,000	(14,743)	1.7%
Utilities	13,637	81,674	171,350	(89,676)	47.7%
Insurance	1,308	7,299	12,360	(5,061)	59.1%
Vehicle, Equipment & Travel	530	2,738	15,000	(12,262)	18.3%
TOTAL Operating Expense	50,961	174,709	626,210	(451,501)	27.9%
Capital Outlay - Vehicle	-	10,076	58,900	(48,824)	17.1%
TOTAL EXPENSES	67,920	258,470	963,475	(705,005)	26.8%
EXCESS REVENUES OVER (UNDER) EXPENSES	24,721	212,208	196,550	15,658	
Other Financing Sources (Uses)					
Transfer from (to) Other Funds					
Transfer from (to) Capital	(25,000)	(125,000)	(300,000)	175,000	41.7%
TOTAL Transfer from (to) Other Funds	(25,000)	(125,000)	(300,000)	175,000	41.7%
TOTAL Other Financing Sources (Uses)	(25,000)	(125,000)	(300,000)	175,000	41.7%
NET CHANGE IN FUND BALANCE	(\$279)	\$87,208	(\$103,450)	\$190,658	
BEGINNING FUND BALANCE**		347,868			
ENDING FUND BALANCE		<u>\$435,076</u>			
Operating Capital Fund Balance		280,072			
Emergency Reserve Fund Balance 5%		145,004			
Rate Stabilization Fund Balance		10,000			
Total Fund Balance		<u>\$435,076</u>			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Recreation Center Fund
For the One Month and Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
Recreation Center Service Fees	\$149,280	\$735,269	\$1,804,450	(\$1,069,181)	40.7%
Fee Based Programming	12,483	43,915	60,000	(16,085)	73.2%
MRRC Concession Sales	11	246	1,000	(754)	24.6%
Falcon Freedom Days Revenue	-	-	20,000	(20,000)	-
Billing Fees	1,044	4,134	17,850	(13,716)	23.2%
Advertising Fees	35	490	3,800	(3,310)	12.9%
Grant Revenue	32	32	-	32	-
Miscellaneous Income	-	3,406	-	3,406	-
TOTAL REVENUES	162,885	787,492	1,907,100	(1,119,608)	41.3%
EXPENSES					
General & Admin. Expense					
Accounting	(1,499)	263	6,700	(6,437)	3.9%
Customer Billing Services	4,640	15,322	18,600	(3,278)	82.4%
Engineering/Consulting	1,472	5,732	5,000	732	114.6%
Legal	-	-	5,000	(5,000)	-
Personnel Expenses	73,828	342,953	970,200	(627,247)	35.3%
General Operations - Admin	3,806	30,608	48,350	(17,742)	63.3%
TOTAL General & Admin. Expense	82,247	394,878	1,053,850	(658,972)	37.5%
Operating Expense					
Programming Supplies	6,058	26,448	63,500	(37,052)	41.7%
Building Maint.	4,688	39,857	161,450	(121,593)	24.7%
Grounds Maint.	-	-	2,000	(2,000)	-
Pool Maint.	2,639	10,826	54,050	(43,224)	20.0%
MRRC Security	950	2,081	4,000	(1,919)	52.0%
Exercise Equip. & Furn.-Replace	-	21,297	40,000	(18,703)	53.2%
MR Community Events	502	2,036	15,000	(12,964)	13.6%
Falcon Freedom Days Expenses	-	-	50,000	(50,000)	-
Utilities	14,829	81,716	182,100	(100,384)	44.9%
Insurance	2,226	12,418	18,823	(6,405)	66.0%
Vehicle, Equipment & Travel	-	289	5,500	(5,211)	5.3%
TOTAL Operating Expense	31,892	196,968	596,423	(399,455)	33.0%
Capital Outlay - Vehicle	-	10,076	-	10,076	-
TOTAL EXPENSES	114,139	601,922	1,650,273	(1,048,351)	36.5%
EXCESS REVENUES OVER (UNDER) EXPENSES	48,746	185,570	256,827	(71,257)	
Other Financing Sources (Uses)					
Transfer from (to) Other Funds					
Transfer from (to) Capital	(16,666)	(83,333)	(200,000)	116,667	41.7%
Transfer from (to) Emer Reserve	(4,166)	(20,833)	(50,000)	29,167	41.7%
TOTAL Transfer from (to) Other Funds	(20,833)	(104,167)	(250,000)	145,833	41.7%
Emergency Reserves					
Emergency Reserve (5%)	4,166	20,833	50,000	(29,167)	41.7%
TOTAL Emergency Reserves	4,166	20,833	50,000	(29,167)	41.7%
TOTAL Other Financing Sources (Uses)	(16,666)	(83,333)	(200,000)	116,667	41.7%
NET CHANGE IN FUND BALANCE	\$32,080	\$102,237	\$56,827	\$45,410	
BEGINNING FUND BALANCE**		401,338			
ENDING FUND BALANCE		<u>\$503,575</u>			
Operating Capital Fund Balance		363,163			
Emergency Reserve Fund Balance 5%		130,411			
Rate Stabilization Fund Balance		10,000			
Total Fund Balance		<u>\$503,575</u>			

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 Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
Interest Income	\$239	\$1,355	-	\$1,355	-
TOTAL REVENUES	239	1,355	-	1,355	-
EXPENSES					
General & Admin. Expense					
Legal	-	-	10,000	(10,000)	-
TOTAL General & Admin. Expense	-	-	10,000	(10,000)	-
Capital Expense - Other					
Build-Out CIP & Funding Plan	4,546	95,024	100,000	(4,976)	95.0%
District Office Yard & Shop	-	-	1,300,000	(1,300,000)	-
Imp/Mtc Drainage Channels/Ponds	-	-	230,000	(230,000)	-
TOTAL Capital Expense - Other	4,546	95,024	1,630,000	(1,534,976)	5.8%
Capital Expense P&G Fund 15					
3rd Const & Acq-Winding Walk	-	-	300,000	(300,000)	-
TOTAL Capital Expense P&G Fund 15	-	-	300,000	(300,000)	-
Capital Expense MRRC Fund 16					
MRRC Expansion	-	-	50,000	(50,000)	-
MRRC #2 Rainbow Bridge Dr.	-	-	100,000	(100,000)	-
Lobby Remodel	-	-	200,000	(200,000)	-
TOTAL Capital Expense MRRC Fund 16	-	-	350,000	(350,000)	-
Capital Expense Water Fund 40					
Guthrie Well Area B & Line Exp	-	113	50,000	(49,888)	0.2%
Expand Filter Plant & Bldg	-	-	830,000	(830,000)	-
Purchase WHMD 2.0 MG Water Tank	-	-	370,000	(370,000)	-
ACGC Weir Improvements	(1,744)	-	15,000	(15,000)	-
Well Site No. 5, 7 & 8	384,597	2,285,894	4,400,000	(2,114,106)	52.0%
Eastonville Raw Water Pipeline	2,614	403,896	450,000	(46,104)	89.8%
TOTAL Capital Expense Water Fund 40	385,467	2,689,903	6,115,000	(3,425,097)	44.0%
Capital Expense Sewer Fund 50					
Lift Station 2020 Improvements	-	-	30,000	(30,000)	-
Woodmen Hills Sewer Bypass	10,643	800,181	710,000	90,181	112.7%
WH Sewer Bypass Phase 2 & 3	-	-	500,000	(500,000)	-
Mid-Point Injection Station	-	-	20,000	(20,000)	-
2021 Lift Station Improvements	-	-	35,000	(35,000)	-
TOTAL Capital Expense Sewer Fund 50	10,643	800,181	1,295,000	(494,819)	61.8%
Developer Reimbursements	-	-	750,000	(750,000)	-
TOTAL EXPENSES	400,656	3,585,108	10,450,000	(6,864,892)	34.3%
EXCESS REVENUES OVER (UNDER) EXPENSES	(400,416)	(3,583,753)	(10,450,000)	6,866,247	
Other Financing Sources (Uses)					
Transfer from (to) Other Funds					
Transfer from (to) MRMD	-	-	750,000	(750,000)	-
Transfer from (to) P&G Fund	25,000	125,000	300,000	(175,000)	41.7%
Transfer from (to) Rec Fund	16,666	83,333	200,000	(116,667)	41.7%
Transfer from (to) Water Fund	166,666	833,333	2,000,000	(1,166,667)	41.7%
Transfer from (to) Sewer Fund	65,416	327,083	785,000	(457,917)	41.7%
TOTAL Transfer from (to) Other Funds	273,749	1,368,750	4,035,000	(2,666,250)	33.9%
TOTAL Other Financing Sources (Uses)	273,749	1,368,750	4,035,000	(2,666,250)	33.9%
NET CHANGE IN FUND BALANCE	(\$126,667)	(\$2,215,003)	(\$6,415,000)	\$4,199,997	
BEGINNING FUND BALANCE**		7,538,868			
ENDING FUND BALANCE		<u>\$5,323,865</u>			

Meridian Service Metropolitan District
Statement of Revenues, Expenses and Change in Fund Balance
Budget vs. Actual - Accrual Basis
Water Fund
For the One Month and Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
Water Service Fees - Res.	\$190,739	\$865,004	\$2,541,975	(\$1,676,971)	34.0%
Water Service Fees - Comm.	10,536	61,137	142,975	(81,838)	42.8%
Meter Set Fees	3,460	48,610	187,500	(138,890)	25.9%
Irrigation	12,534	43,508	252,550	(209,042)	17.2%
UB - Water Adjustments	-	(153)	-	(153)	-
IGA Shared Water Cost Reimb.	-	-	25,000	(25,000)	-
Billing Fees	1,044	4,134	17,850	(13,716)	23.2%
Miscellaneous Income	(1,000)	3,991	-	3,991	-
TOTAL REVENUES	217,313	1,026,231	3,167,850	(2,141,619)	32.4%
EXPENSES					
General & Admin. Expense					
Accounting	(2,050)	359	9,000	(8,641)	4.0%
Customer Billing Services	6,278	20,730	45,000	(24,270)	46.1%
Engineering/Consulting	15,960	36,668	50,000	(13,332)	73.3%
Legal	-	3,614	20,000	(16,387)	18.1%
Personnel Expenses	26,294	148,855	576,825	(427,970)	25.8%
General Operations - Admin	3,622	17,566	25,800	(8,234)	68.1%
TOTAL General & Admin. Expense	50,104	227,792	726,625	(498,833)	31.3%
Operating Expense					
Water Operations General	2,133	15,171	112,785	(97,614)	13.5%
Raw Water Operations	1,706	6,641	53,650	(47,009)	12.4%
Water Treatment Operations	18,651	32,590	65,300	(32,710)	49.9%
Water Distribution Operations	8,739	35,706	229,775	(194,069)	15.5%
Non-Potable Water Operations	408	6,119	46,500	(40,381)	13.2%
Utilities	39,835	180,774	499,700	(318,926)	36.2%
Insurance	3,044	17,321	65,000	(47,679)	26.6%
Vehicle, Equipment & Travel	607	2,571	15,000	(12,429)	17.1%
TOTAL Operating Expense	75,124	296,892	1,087,710	(790,818)	27.3%
Capital Outlay - Vehicle	-	40,403	36,500	3,903	110.7%
TOTAL EXPENSES	125,229	565,086	1,850,835	(1,285,749)	30.5%
EXCESS REVENUES OVER (UNDER) EXPENSES	92,085	461,144	1,317,015	(855,871)	
Other Financing Sources (Uses)					
Tap & Transfers from (to) Other Funds					
Tap Fees Received	46,500	662,000	1,800,000	(1,138,000)	36.8%
Tap Fees Transferred to MRMD	(10,500)	(379,500)	(1,800,000)	1,420,500	21.1%
Transfer from (to) Capital	(166,666)	(833,333)	(2,000,000)	1,166,667	41.7%
Transfer from (to) Emer Reserve	(24,166)	(120,833)	(290,000)	169,167	41.7%
Transfer from (to) Rate Stabil	3,334	16,667	40,000	(23,333)	41.7%
TOTAL Tap & Transfers from (to) Other Funds	(151,499)	(655,000)	(2,250,000)	1,595,000	29.1%
Emergency Reserves					
Emergency Reserve (5%)	24,166	120,833	290,000	(169,167)	41.7%
Rate Stabilization Reserve	(3,334)	(16,667)	(40,000)	23,333	41.7%
TOTAL Emergency Reserves	20,833	104,167	250,000	(145,833)	41.7%
TOTAL Other Financing Sources (Uses)	(130,666)	(550,833)	(2,000,000)	1,449,167	27.5%
NET CHANGE IN FUND BALANCE	(\$38,581)	(\$89,689)	(\$682,985)	\$593,296	
BEGINNING FUND BALANCE**		2,611,484			
ENDING FUND BALANCE		<u>\$2,521,795</u>			
Operating Capital Fund Balance		1,361,875			
Emergency Reserve Fund Balance 5%		836,586			
Rate Stabilization Fund Balance		323,333			
Total Fund Balance		<u>\$2,521,795</u>			

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 Five Months Ended May 31, 2021

	Month of May 2021	YTD Actual	Adopted 2021 Budget	Variance Over (Under) Budget	% of Budget (41.7% YTD)
REVENUES					
Sewer Fees - Res.	\$141,842	\$699,576	\$1,718,350	(\$1,018,774)	40.7%
Sewer Fees - Comm.	2,381	11,638	35,000	(23,362)	33.3%
Sterling Ranch Revenue	36,585	36,585	1,251,175	(1,214,590)	2.9%
IGA Shared Sewer Cost Reimb.	18,787	18,787	103,000	(84,213)	18.2%
Billing Fees	1,044	4,134	17,850	(13,716)	23.2%
Interest Income	37,182	37,257	-	37,257	-
Miscellaneous Income	-	4,334	-	4,334	-
TOTAL REVENUES	237,822	812,311	3,125,375	(2,313,064)	26.0%
EXPENSES					
General & Admin. Expense					
Accounting	(1,457)	255	9,000	(8,745)	2.8%
Customer Billing Services	4,549	15,021	42,000	(26,979)	35.8%
Engineering/Consulting	1,796	52,393	75,000	(22,607)	69.9%
Legal	13,791	339,948	170,000	169,948	200.0%
Personnel Expenses	30,411	153,311	536,525	(383,214)	28.6%
General Operations - Admin	2,414	19,573	27,050	(7,477)	72.4%
TOTAL General & Admin. Expense	51,504	580,501	859,575	(279,074)	67.5%
Operating Expense					
Sewer Operations	85,213	137,535	451,900	(314,365)	30.4%
Lift Station Operations	12,050	60,676	195,100	(134,424)	31.1%
Lift Station Operations-Shared	7,058	64,856	49,300	15,556	131.6%
Utilities	336	1,837	5,400	(3,563)	34.0%
Insurance	2,163	12,064	50,000	(37,936)	24.1%
Vehicle, Equipment & Travel	654	4,501	17,000	(12,499)	26.5%
TOTAL Operating Expense	107,473	281,468	768,700	(487,232)	36.6%
Capital Outlay - Vehicle	-	10,076	36,500	(26,424)	27.6%
TOTAL EXPENSES	158,977	872,045	1,664,775	(792,730)	52.4%
EXCESS REVENUES OVER (UNDER) EXPENSES	78,845	(59,734)	1,460,600	(1,520,334)	
Other Financing Sources (Uses)					
Tap & Transfers from (to) Other Funds					
Tap Fees Received	46,500	662,000	1,700,000	(1,038,000)	38.9%
Tap Fees Transferred to MRMD	(10,500)	(379,500)	(1,700,000)	1,320,500	22.3%
Transfer from (to) Capital	(65,416)	(327,083)	(785,000)	457,917	41.7%
Transfer from (to) Emer Reserve	(18,750)	(93,750)	(225,000)	131,250	41.7%
Transfer from (to) Emer. (\$2)	(6,018)	(29,716)	(72,048)	42,332	41.2%
Transfer from (to) Rate Stabil	2,084	10,417	25,000	(14,583)	41.7%
TOTAL Tap & Transfers from (to) Other Funds	(52,101)	(157,633)	(1,057,048)	899,415	14.9%
Emergency Reserves					
Emergency Reserve (5%)	18,750	93,750	225,000	(131,250)	41.7%
Emergency Reserve (\$2) - Sewer	6,018	29,716	72,048	(42,332)	41.2%
Rate Stabilization Reserve	(2,084)	(10,417)	(25,000)	14,583	41.7%
TOTAL Emergency Reserves	22,684	113,049	272,048	(158,999)	41.6%
TOTAL Other Financing Sources (Uses)	(29,416)	(44,583)	(785,000)	740,417	5.7%
NET CHANGE IN FUND BALANCE	\$49,429	(\$104,317)	\$675,600	(\$779,917)	
BEGINNING FUND BALANCE**		1,497,791			
ENDING FUND BALANCE		<u>\$1,393,474</u>			
Operating Capital Fund Balance		48,321			
Emergency Reserve Fund Balance 5%		655,554			
Sewer Reserve Fund Balance \$2		360,016			
Rate Stabilization Fund Balance		329,583			
Total Fund Balance		<u>\$1,393,474</u>			

**Meridian Service Metropolitan District
2021 June Tap Report**

Counts	Date	Tap Receipt No.	Service Address	Filing #	Lot #	Builder	Tap Amt Paid	Meter Amt Paid	Check No.	Monthly Totals
77.	6/1/2021	3319	12764 Enclave Scenic Drive	Stonebridge 4	69	Covington Homes	\$18,000.00	\$625.00	Wire #210601193415	
78.	6/11/2021	3320	12899 Stone Valley Dr	Stonebridge 3	152	Creekstone	\$18,000.00	\$625.00	ACH 6148812	
79.	6/11/2021	3321	12915 Stone Valley Dr	Stonebridge 3	150	Creekstone	\$18,000.00	\$625.00	ACH 6148836	
80.	6/14/2021	3322	12756 Enclave Scenic Dr	Stonebridge 4	68	Covington Homes	\$18,000.00	\$625.00	Wire #210611162039	
81.	6/18/2021	3323	9812 Marble Canyon Way	Stonebridge 4	79	Covington Homes	\$18,000.00	\$625.00	Wire #210618150505	
82.	6/22/2021	3324	12724 Enclave Scenic Drive	Stonebridge 4	64	Covington Homes	\$18,000.00	\$625.00	Wire #2106022134992	
83.	6/22/2021	3325	9822 Marble Canyon Way	Stonebridge 4	78	Covington Homes	\$18,000.00	\$625.00	Wire #210622134992	
84.	6/25/2021	3326	12781 Granite Ridge Drive	Stonebridge 4	23	Century Land Holdings	\$18,000.00	\$625.00	Check #449255	
85.	6/25/2021	3327	12773 Granite Ridge Drive	Stonebridge 4	24	Century Land Holdings	\$18,000.00	\$625.00	Check #449256	
86.	6/25/2021	3328	12765 Granite Ridge Drive	Stonebridge 4	25	Century Land Holdings	\$18,000.00	\$625.00	Check #449257	
87.	6/25/2021	3329	9837 Meridian Hills Trail	Stonebridge 4	189	Campbell Homes	Prepaid	Prepaid		11
										June

** Reunion Homes prepaid 20 tap fees for a total of \$352,000
 ^^ Campbell Homes prepaid 12 tap fees for a total of \$211,200

Meridian Service Metropolitan District
 2021 Tap and Meter Set Additional Fees Collected

(Initial) Tap Purchase Date	Tap Receipt No.	Service Address	Builder	Tap Fee Paid At Time of Purchase	Meter Set Fee Paid At Time of Purchase	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
2/27/2020	2953	9615 Vistas Park Dr	David Weekley Homes	\$ 17,000.00	\$ 600.00	\$ 1,000.00	\$ 25.00	6/7/2021	\$ 1,025.00
5/18/2018	2481	9802 Emerald Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 3,000.00	\$ 85.00	6/9/2021	\$ 3,085.00
5/21/2018	2488	13679 Evening Sky Dr	David Weekley Homes	\$ 15,000.00	\$ 540.00	\$ 3,000.00	\$ 85.00	6/22/2021	\$ 3,085.00
8/30/2018	2577	12979 Stone Valley Dr	Campbell Homes	\$ 15,000.00	\$ 540.00	\$ 3,000.00	\$ 85.00	6/25/2021	\$ 3,085.00
9/13/2019	2801	10005 Golf Crest Dr	Covington Homes	\$ 16,000.00	\$ 575.00	\$ 2,000.00	\$ 50.00	6/29/2021	\$ 2,050.00
6/12/2020	3075	9803 Fairway Glen Dr	Campbell Homes	\$ 17,000.00	\$ 600.00	\$ 1,000.00	\$ 25.00	6/30/2021	\$ 1,025.00
									\$ 13,355.00

**Meridian Service Metropolitan District
Vendor Payment Register Report - Detailed
Interim Payments to Ratify
May 26, 2021**

<u>Date</u>	<u>Payment Type</u>	<u>Vendor</u>	<u>Amount</u>
05/26/21	Check	Shops at Meridian Ranch, LLC	\$ 3,589.77
Total Invoices	1	Total Amount of Payments	\$ 3,589.77

Meridian Service Metropolitan District
Vendor Payment Register Report - Summary
Finance Committee - Interim Payments to Ratify
June 23, 2021

<u>Date</u>	<u>Payment Type</u>	<u>Vendor</u>	<u>Amount</u>
06/23/21	Check	AH Water	\$ 900.00
06/23/21	ePayment	American Portable Services Inc.	\$ 135.00
06/23/21	Check	Aqueous Solution Inc.	\$ 4,411.70
06/23/21	ePayment	Axis Business Technologies	\$ 487.42
06/23/21	Check	Badger Meter	\$ 7,770.00
06/23/21	Check	Black Hills Energy	\$ 42.43
06/23/21	Check	Braun Safety Associates, LLC	\$ 2,588.16
06/23/21	Check	Browns Hill Engineering & Controls, LLC	\$ 2,085.00
06/23/21	ePayment	CEM Sales & Service	\$ 526.00
06/23/21	Check	CenturyLink - FP & LS	\$ 162.60
06/23/21	Check	Cintas Fire 636525	\$ 5,736.05
06/23/21	Check	Colorado Special Districts	\$ 240.00
06/23/21	Vendor Direct	Comcast - MRRC	\$ 416.14
06/23/21	Vendor Direct	Comcast - Office	\$ 311.10
06/23/21	Vendor Direct	CPS Distributors, Inc	\$ 156.59
06/23/21	Check	CRS Community Resource Services	\$ 12,419.02
06/23/21	Check	CSU Colorado Springs Utilities	\$ 810.77
06/23/21	ePayment	DBC Irrigation Supply	\$ 147.49
06/23/21	Check	Front Range Kubota, Inc	\$ 546.22
06/23/21	Check	Grainger	\$ 982.85
06/23/21	Check	Hach	\$ 657.34
06/23/21	ePayment	Harrell's LLC	\$ 96.30
06/23/21	Check	HelloSpoke	\$ 732.28
06/23/21	ePayment	LONG Building Technologies	\$ 3,249.00
06/23/21	Check	Lytle Water Solutions, LLC	\$ 4,109.66
06/23/21	Check	Mug-A-Bug Pest Control	\$ 246.00
06/23/21	Check	MVEA	\$ 66,765.20
06/23/21	Vendor Direct	Safeway	\$ 1,857.10
06/23/21	Check	Shops at Meridian Ranch, LLC	\$ 3,589.77
06/23/21	Check	Treatment Technology	\$ 1,075.00
06/23/21	Vendor Direct	USA BlueBook	\$ 907.15
06/23/21	Check	Vivid Engineering Group	\$ 4,666.50
06/23/21	Check	Whisler Industrial Supply	\$ 71.14
Total Payments	33	Total Amount of Payments	\$ 128,896.98

**Meridian Service Metropolitan District
Vendor Payment Register Report - Summary
Board Meeting - Payments to Approve
July 7, 2021**

<u>Date</u>	<u>Payment Type</u>	<u>Vendor</u>	<u>Amount</u>
7/7/2021	ePayment	American Water Works Association	\$ 344.00
7/7/2021	Check	Badger Meter	\$ 163.02
7/7/2021	Check	Black Hills Energy	\$ 4,568.40
7/7/2021	Vendor Direct	BrightView Landscape Services Inc.	\$ 40,444.76
7/7/2021	Check	Browns Hill Engineering & Controls, LLC	\$ 30,956.00
7/7/2021	Check	CEBT Payments	\$ 12,289.19
7/7/2021	Check	CenturyLink - FP & LS	\$ 257.63
7/7/2021	Check	Chase Cardmember Services	\$ 8,978.04
7/7/2021	ePayment	Cherokee MD	\$ 52,636.47
7/7/2021	Check	Club Automation, LLC	\$ 1,736.00
7/7/2021	Check	Colorado Analytical Lab	\$ 1,709.40
7/7/2021	Vendor Direct	CPS Distributors, Inc	\$ 354.64
7/7/2021	Check	Craig Foundation	\$ 300.00
7/7/2021	Check	CSU Colorado Springs Utilities	\$ 13.37
7/7/2021	ePayment	DBC Irrigation Supply	\$ 2,744.84
7/7/2021	Vendor Direct	Hach	\$ 1,460.64
7/7/2021	ePayment	Harrell's LLC	\$ 2,010.20
7/7/2021	Check	Henley's Key Service, Inc.	\$ 428.12
7/7/2021	Check	Home Depot Credit Services	\$ 795.03
7/7/2021	Check	Hydro Resources Rocky Mtn. Inc.	\$ 678,376.00
7/7/2021	Check	Jan-Pro of Southern Colorado	\$ 5,716.00
7/7/2021	ePayment	JDS-Hydro Consultants, Inc.	\$ 23,133.01
7/7/2021	Check	John Deere Financial	\$ 1,577.07
7/7/2021	Check	Midwest Barricade Company, Inc.	\$ 774.00
7/7/2021	ePayment	Municipal Treatment Equipment Inc.	\$ 14,321.34
7/7/2021	Check	Northern Tool & Equipment	\$ 611.53
7/7/2021	Check	Tech Builders Inc	\$ 5,767.56
7/7/2021	ePayment	TIAA Commercial Finance, Inc	\$ 187.00
7/7/2021	Check	Treatment Technology	\$ 1,075.00
7/7/2021	Vendor Direct	UniFirst First Aid & Safety	\$ 270.99
7/7/2021	Vendor Direct	USA BlueBook	\$ 1,631.37
7/7/2021	Check	Verizon Wireless	\$ 249.90
7/7/2021	Check	VertiCloud Networks LLC	\$ 3,252.00
7/7/2021	Vendor Direct	Waste Management of Colorado Springs	\$ 643.59
7/7/2021	Check	Whisler Industrial Supply	\$ 158.82
7/7/2021	ePayment	White Sands Water Engineers, Inc.	\$ 220.00
7/7/2021	Check #13288	Rice & Rice	\$ 1,000.00
7/7/2021	Check #13289	Hydro Resources	\$ 2,000.00
Total Payments 36		Total Amount of Payments	\$ 903,154.93

<u>Payroll Transaction 6/1 - 6/30/2021</u>	
BOD Payroll:	\$ 538.25
Bi-weekly Payroll:	\$ 142,706.83
Payroll & HR Serv	\$ 257.40
Total:	\$ 143,502.48

Ranges:	From:	To:	From:	To:
Check Number	First	Last	Check Date	7/7/2021
Vendor ID	First	Last	Checkbook ID	First
Vendor Name	First	Last		Last

Sorted By: Vendor Name

* Voided Checks

Check Number	Vendor ID	Vendor Check Name	Check Date	Checkbook ID	Audit Trail Code	Amount
02278	CRS	CRS of Colorado	7/7/2021	WF CHECKING	PMCHK00000254	\$1,414.00
02279	FENTON	Michael J Fenton	7/7/2021	WF CHECKING	PMCHK00000254	\$92.35
02280	GABRIELSKI	MILTON B. GABRIELSKI	7/7/2021	WF CHECKING	PMCHK00000254	\$92.35
02281	SAUER	Thomas G. Sauer	7/7/2021	WF CHECKING	PMCHK00000254	\$92.35
02282	REORDA	Wayne Reorda	7/7/2021	WF CHECKING	PMCHK00000254	\$92.35
02283	GESSNER	William Gessner	7/7/2021	WF CHECKING	PMCHK00000254	\$92.35
Total Checks: 6						Total Amount of Checks: \$1,875.75



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

DATE: June 23, 2021
TO: MSMD Board of Directors
RE: Finance Committee Report

On June 23, 2021 the Board's Finance Committee (Directors Gabrielski and Sauer) met with Jim Nikkel, General Manager and Jennette Coe, AFS Manager. The following is a summary of the meeting:

- Staff updated the Finance Committee on the status of the 2020 audit. The audit has gone very well. The auditors have invested quite a bit more time than anticipated due to the number of funds we have and working on the ending net position on 12/31/19, developer advances and depreciation schedule. Part of this is due to the change to a new accounting system with new GL codes and new staff preparing the documentation.
- Staff updated the Finance Committee on the status of staffing for open positions in the office.
 - We have hired, Eileen Krauth, to be our new HR Specialist/Administrative Lead and she starts on Tuesday, June 29th.
 - We have been advertising to fill the vacant AP Technician position that became open when Rachel Blamey transitioned to be the Recreation Administrative Manager and have a strong candidate.
- The Finance Committee approved interim MSMD payments in the amount of \$128,896.98 and directed staff to put these on the Board's July agenda for ratification.

Submitted by:


Milton B. Gabrielski, Finance Committee Chair

MSMD Operations Report for June 2021

During the month of June, well site #5 on-line and contributed to water production. LFH-1 well pull and replace is in the works with an expected four-to-six-week lead time. The raw water bypass was completed and left isolated until final arrival of parts for pipe sever. Chemical feed pumps for direct chlorination at Latigo, #7 and #8 well sites have been delivered and waiting for container delivery. Water operations completed the monthly Bac-T, Quarterly, and Lead & Copper sampling per CDPHE monitoring requirements. Monthly water meter reads were collected on June 28th. Staff have also been busy installing new residential water meters and spending several hours completing water and sewer locates and entering the required response. New water service inspections and locate requests have increased which has also kept staff busy.

Parks and drainage had a couple more storms to work through. Weekly pond inspections were completed, removing trash, and clearing the drain as needed. Parks and Drainage staff are maintaining consistent contact with Oolganik regarding damaged irrigation repairs. Longview Park rehab continues with soil amendments and seeding completed. Park was completely mowed and trimmed up. Meridian Ranch irrigation is fully pressured up and crews continue going through zones and making repairs. Crews are also working on dead tree removal, turf repair/replacement and a major electrical issue powering a timer off Londonderry. Our new part-time employee (Luke) has started and working out well with the Parks and Drainage Department.

Staff performed weekly infiltration gallery inspections and recorded water level logging data. Area #5 was in overflow throughout June.

Wastewater operations completed weekly composite sampling and drop off to Cherokee for testing. Weekly Hydrogen Sulfide (H₂S) and Total Dissolved Solids (TDS) samples were collected along with weekly sewer flow meter inspections. Bar screen replacement still on track for July. The sewer bypass line splitting manhole remaining items are pending the contractor availability. A planning and scheduling meeting was conducted. Contractor was tentatively a few weeks out from starting repair. As of July 1st, no work has been scheduled. A walk through with Sterling Ranch took place mid-month. The flow sampling vault, force main to gravity break vault, and the lift station were visited. A formal acceptance will be needed prior to receiving flow. Falcon lift station had a bearing fail on the roof exhaust over the wet well. Crews replaced both bearings and had the unit running quickly.

Upcoming or continued water tasks:

- Well #5 feeding into the water filtration
- LFH-9 running well
- Latigo, LFH-#2 onsite, and LFH-#2 Guthrie wells, completing level sensor install (pending contractor availability)
- Monthly water sampling per state regulations (completed)
- Monthly meter reading (completed 6-28-21)

Upcoming or continued parks and drainage:

- Continue irrigation repairs/testing (in progress)
- Annual backflow testing (pending)
- Charging mainline (completed)
- Continue fence repairs (in progress)
- Mulch/rock replacement in planter beds (in progress)

Upcoming or continued wastewater tasks:

- Sewer force main air vac maintenance/vault inspections (in progress)
- Sewer force main flow meter replacement (line tapped, awaiting install)
- Lift station bar screen repair (parts ordered)
- Infiltration pit maintenance (pending weather, in progress)
- Infiltration pit logger installs (2) (pending weather, in progress)
- Begin recruitment for vacant wastewater position (in progress)

July 7th, 2021 Recreation Board Report

Usage Numbers June 1, 2021 – June 30, 2021

Total Attendance – 15910

Group Ex – 669 participants. Of those we received \$312 from non-members

Childcare attendance - 233

Revenue collected - **\$15,470.00**

Pulse Check:

Visitations to the recreation center have continue to increase in June. The outdoor pool has remained extremely busy on good weather days. Group exercise participation has reduced this month because many of our regular participants now have children out of school and they are much busier during these two months D49 is out.

The pool chairs arrived, and we have had a more positive response to this than anything new in the last two years. The chairs were much needed and greatly appreciated. I received a request to have more handicap accessible pool chairs available and will be researching this.

The newsletter was delivered on time and will be created by Rachel and myself moving forward. We are grateful for all Andrea has done remotely to create the newsletter for our first 5 issues.

Falcon Freedom Days went very well, and we will have a financial report at the next board meeting to let you know how fundraising and expenses went. We have a movie night planned in Green's Park for the night of July 17th.

T-Ball and Coach pitch baseball is beginning the first week of July and registration is lower than the previous sports we have run. We attribute this to the skill level required in baseball, and many children playing in an official league on official fields. We will be moving into Flag Football in August and registration is opening the first week of July. We will be hosting a basketball camp at the recreation center the week of the 19th. Swim lessons are continuing to have strong participation and are running well.

With the increased numbers in the recreation center comes increased incidents. On June 28th we had a group of teenagers misbehaving in the downstairs of the recreation center. When a staff member approached the group to de-escalate, the group was very disrespectful and refused to leave the facility. The staff member dialed police to have them removed, and the group then decided to leave while calling our staff member obscene names. The group left the facility, and then blocked traffic in the road in front of the recreation center, and then continued onto the golf course where they blocked a group from being able to tee off. I have let all of the group's parents

know of the incident, and that their access to the MRRC has been suspended until this meeting when the board would decide on their future access. We have had to speak with this group of teenager's numerous times about appropriate behavior in the MRRC.



MERIDIAN SERVICE METROPOLITAN DISTRICT

Water, Wastewater, Parks and Recreation
11886 Stapleton Dr, Falcon, CO 80631
719-495-6567, Fax 719-495-3349

June 16, 2001

Mr. James Morley
Sterling Ranch Metropolitan District
20 Boulder Crescent
Suite 100
Colorado Spring, CO 80903

Re: Request for Payment Extension

Dear Mr. Morley:

Meridian Service Metropolitan District (MSMD) agrees to the requested 90 day extension to make the payment (currently \$1,293,220.46), with applicable interest and late fees to be applied during the 90 day extension period, owed by Sterling Ranch Metropolitan District No. 1 ("SRMD") to MSMD in satisfaction of SRMD's tap purchase obligation under the parties' existing Intergovernmental Agreement. Payment shall be made not later than September 30, 2021.

Failure to make the payment on or before September 30, 2021, will trigger MSMD's right to terminate the IGA. The granting of the extension shall not be considered as a waiver or modification of any of the remaining obligations, dates, or deadlines in the referenced IGA, including but not limited to the obligation to make payment of amounts owed for taps on December 31, 2021.

If you agree to this, please execute, and return a signed copy to me.

Sincerely,

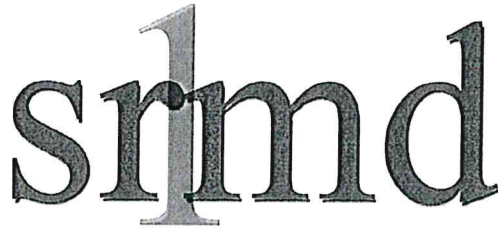
Jim Nikkel
District Manager
Meridian Service Metropolitan District

ACKNOWLEDGED AND AGREED TO

Sterling Ranch Metropolitan District

James Morley, President

Date: June __, 2021



Sterling Ranch Metropolitan District No. 1

June 18, 2021

Meridian Service Metropolitan District
Board of Directors
c/o Jim Nikkel, District Manager
11886 Stapleton Dr.
Falcon, CO 80831

Re: Request for Extension

Dear Board Members,

My name is Jim Morley, and I am the president of the Sterling Ranch Metropolitan District. Our district purchases sewer taps from the Meridian Metropolitan District. We currently have a payment due on June 30, 2021, for 300 sewer taps in the amount of 1,219,470.00, which includes interest and late fees.

The Sterling District is requesting an extension to make this payment on September 30, 2021. The amount due would include additional interest and late fees as outlined in the current IGA. If you need any other information from me, please let me know.

Thank You,
Sterling Ranch Metropolitan District No.1

A handwritten signature in cursive script, appearing to read 'James F. Morley'.

James F Morley

First Addendum to Cost-Sharing Agreement

This First Addendum to Cost-Sharing Agreement (“Addendum”) is entered into as of June __, 2021, between Meridian Service Metropolitan District (“Meridian”), a quasi-municipal corporation and political subdivision of the State of Colorado, with a business address of 11886 Stapleton Dr., Falcon, CO 80831, and Cherokee Metropolitan District (“Cherokee”), a quasi-municipal corporation and political subdivision of the State of Colorado, with a business address of 6250 Palmer Park Blvd., Colorado Springs, CO 80915. Cherokee and Meridian are referred to hereinafter individually as a “Party” and collectively as the “Parties”.

Recitals

WHEREAS on April 1, 2020, Cherokee and Meridian entered into a Cost-Sharing Agreement (“Cost-Sharing Agreement”) pursuant to which the Parties agreed to pay certain costs related to Tasks 1-4 in Exhibit A to the Cost-Sharing Agreement.

WHEREAS, in addition to Tasks 1-4 of Exhibit A to the Cost-Sharing Agreement, the Parties have determined that certain water modeling tasks need to be completed in order to continue progress on the Replacement Plan Case (Case No. 08GW71). These water modeling tasks are described as Task 5 in the scope of work from LRE Water attached hereto as **Exhibit A**.

WHEREAS Meridian and Cherokee desire to enter into this Addendum to determine the payment of costs related to Task 5 described in Exhibit A.

WHEREFORE, Meridian and Cherokee agree as follows:

Agreement

The foregoing Recitals are hereby incorporated into this Agreement.

1. All terms in this Addendum shall have the same meaning as defined in the Cost-Sharing Agreement.
2. All provisions of the Cost-Sharing Agreement shall remain in full force and effect, as modified herein.
3. All references in the Cost-Sharing Agreement to “Tasks 1-4” are hereby amended to include Task 5 as described in Exhibit A hereto.
4. In addition to any participation, consultation, cooperation or communication between Cherokee, its consulting engineers, and Meridian described in paragraph 1 of the Cost-Sharing Agreement or in Task 5 described in Exhibit A hereto, Cherokee agrees and shall direct LRE to provide Meridian’s consulting engineers, Lytle Water Solutions, with the opportunity to review and provide input at the specific events described in Exhibit B hereto.

5. Paragraph 4 of the Cost-Sharing Agreement is hereby replaced in its entirety with the following paragraph:

When the costs invoiced by Cherokee to Meridian under this Agreement reach \$48,000.00, Cherokee and Meridian shall meet and discuss those costs and what future costs remain, if any, that exceed a combined total of \$105,000.00. When the costs invoiced by Cherokee to Meridian under this Agreement reach \$96,000.00, Cherokee and Meridian shall meet a second time to discuss those costs and what future costs remain, if any, that exceed a combined total of \$209,000.00. In the event of a dispute concerning payment of any such costs, Meridian shall continue to reimburse Cherokee for any invoiced costs.

6. Cherokee and Meridian each represent and warrant that they have the full right, power and authority to enter into, perform, and observe the terms of this Addendum.

7. This Addendum may be executed in counterparts.

8. If any portion of this Addendum shall be deemed invalid, illegal, or otherwise unenforceable, such determination shall not render any other provisions invalid, illegal or unenforceable.

9. Any non-defaulting Party hereunder shall have all remedies available through law or equity.

10. In any dispute concerning this Addendum, the prevailing party shall be entitled to recover from the other party all of its reasonable attorney fees and costs.

Meridian Service Metropolitan District

By: J. Hill

Its: General Manager

Date: 6/24/21

Cherokee Metropolitan District

By: Amy Batten

Its: General Manager

Date: June 21, 2021



18 June 2021

Jeff Munger
District Engineer
Cherokee Metropolitan District
6250 Palmer Park Boulevard
Colorado Springs, 80915

RE: Groundwater Modeling Proposal

Dear Mr. Munger,

LRE Water is providing this proposal for groundwater modeling services in support of Cherokee Metropolitan District (Cherokee or District) and their Replacement Plan amendment application. Our understanding of this scope of work is based on a February 12, 2021, meeting between Cherokee, Meridian Service Metropolitan District (Meridian), and their legal and technical teams, comments received on project memoranda, and subsequent consultation and collaboration with the Cherokee project team.

I. SCOPE OF SERVICES

LRE Water will provide a groundwater modeling tool to support Cherokee's Replacement Plan amendment application to the Colorado Ground Water Commission. The tasks below provide additional details about the development and use of the proposed groundwater model.

LRE Water understands that Meridian is a stakeholder in the Replacement Plan application, and that Cherokee will be coordinating with Meridian throughout the application update and amendment. LRE Water will provide information on its groundwater model development and use to the Meridian team comprised of Meridian management, staff, their legal counsel Carlson, Hammond, and Paddock, and their consultant Lytle Water Solutions as further described in the agreements between Cherokee and Meridian.

Task 5A – Existing Model Adaptation and Update

LRE Water has obtained the most recent version of Cherokee's existing groundwater model that was developed for the original Replacement Plan application in 2005. The most recent model was developed by Principia Mathematica (Principia) and has been updated several times in recent years. The most recent model update was in 2014. The current model is based in the US Geological Survey's MODFLOW 2000 numerical modeling code.

The general structure of the existing groundwater model developed by Principia (i.e., extent, locations of boundary conditions) will be utilized as a starting point for the modifications and refinement (e.g., addition of recent model input data) and improvements (e.g., spatial grid refinement) for the recommended model simulations to meet the current model objectives.

LRE Water will adapt the 2014 model into a more recent version of MODFLOW. Versions we will consider include MODFLOW 2005, MODFLOW-USG, and MODFLOW 6. We will also update the model to include solute transport and particle tracking. The solute transport codes we will consider include MT3D and USG-Transport. Particle tracking codes we will consider include MODPATH, MP3DU, and MODPATH 7.

The existing model was calibrated during the January 1998 through October 2007 time period. Water level data, groundwater pumping data, and recharge via Rapid Infiltration Basins (RIBS) data has continued to be collected since October 2007. We will extend the simulation period for the existing model through the latest date for which reliable data is available. Precipitation recharge and other time-varying boundary conditions will be updated according to the approach taken by Principia. Groundwater pumping by entities other than Meridian and Cherokee and irrigation return flows will be updated by applying a scaling factor determined by the relationship between precipitation recharge and pumping in the existing model. We do not believe it will be possible to directly incorporate Principia's prior approach, which was based on evaluation of aerial imagery and other information. If better pumping and return flow information is available, we will incorporate it. Incorporating this additional data will provide valuable information on the existing model's ability to simulate recharge through the RIBs into the Upper Black Squirrel Creek aquifer and groundwater extraction. It will strengthen the application because the model will have incorporated additional wet, dry, and average water years.

At this time, we believe that simulating transport via particle tracking using MODPATH (or similar) will be sufficient to meet the current modeling objectives. Using the outlined procedures and modeling objectives, we will create model scenarios incorporating current and potential future recharge conditions including precipitation recharge, recharge to the RIBs, and groundwater extraction through wells. This simulation will provide information on the flow pathways, directions, speed, and dilution of RIB recharge water and help to assess possible water quality impacts at neighboring wells. Additional modeling requirements and incorporation of recent data to address water quality issues will be determined through coordination with Cherokee and consultation with the Meridian team.

Task 5B – Model Calibration

We will evaluate whether the model appropriately simulates water levels, recharge created by infiltration at the RIBs, and pumping effects from other wells, i.e., pumping wells not owned by Cherokee or Meridian that may have effects within area(s) pertinent

to Replacement Plan operations. This evaluation will serve as a calibration check that will be followed by recalibration of the model. There are likely diminishing returns with each successive recalibration based on limitations in the precision of the fundamental underlying data and measurements. The number of recalibration iterations will be sufficient to satisfy the relevant legal standards based on a professional standard of practice and the exercise of engineering and scientific judgement. The purpose of the recalibration will be to address possible issues that objectors may raise to the replacement plan amendment.

Task 5C – Forward Model Scenarios

We understand that the original Ground Water Commission application and the forthcoming amendment consider this project to be a replacement plan. If changes are made to the replacement plan approach (e.g., time period extension, monitoring data updates, grid modification), the modeling approach discussed above will be applicable and adaptable to a range of future operating scenarios.

Forward modeling scenarios will include simulation of RIB infiltration, pumping of existing wells, and pumping of proposed recovery wells down gradient of the RIBs with the goal of evaluating the feasibility of capturing recharged water. These scenarios will also consider various pumping schedules for Cherokee and Meridian including peak demands, and will be used to evaluate the sensitivity of the model results to the pumping schedule from a timing perspective. We will use particle tracking to evaluate flow directions under future operating scenarios to evaluate the flow direction sensitivity to the specific pumping schedule inputs. The timing and water quality information from these forward simulations will be used to optimize the plan approach. Additional sensitivity analyses may be performed to assess transport and fate of various water quality constituents under different recharge and recovery pumping scenarios.

We will work with Cherokee, in consultation with the Meridian team, to develop forward modeling scenarios based on each entity's demand forecasts and future supply objectives that will address the technical requirements for a replacement plan amendment application.

Task 5D – Replacement Plan Application Modeling Technical Memorandum

After the forward modeling scenarios are completed, we will integrate the predictive modeling information with the results of the updated and recalibrated model. We will describe the predictive scenarios and the modeling results relevant to Replacement Plan application. LRE Water will prepare a draft technical memorandum for review and comment by Cherokee, in consultation with the Meridian team. We will incorporate comments into a final Modeling Technical Memorandum.

Task 5E – Meetings and Team Communication

The collaborative nature of this project will benefit from scheduled coordination meetings including the project team of LRE Water, Cherokee, and the Meridian team. We recommend the project team engage in the following workshops and meetings:

- *Pre-application meeting with Upper Black Squirrel Creek Ground Water Management District (UBSCGWMD)* – The project team will meet with UBSCGWMD to understand their concerns and expectation related to the Replacement Plan amendment application. We expect this meeting to happen in the early summer of 2021 so that UBSCGWMD input can be considered during model planning.
- *Initial model planning workshop* – This workshop will include technical project team members from Cherokee and Meridian responsible for modeling details. During this meeting, we will discuss modeling objectives, code selection, and updated input data.
- *Model adaptation, update, and calibration workshop* – LRE Water will present the current state of the model update to the entire Cherokee and Meridian project team. Workshop outcomes will be incorporated into subsequent work, model documentation, and reports.
- *Modeling scenario development workshop* – The Cherokee and Meridian project team will meet to develop the model scenario list to address legal and technical requirements for the Replacement Plan application update.
- *Model scenario results and Replacement Plan application update workshop* – LRE will present the forward scenario results to the Cherokee and Meridian project team in preparation for the Modeling Technical Memorandum, and Replacement Plan application update.
- *Modeling Team consultations* – Technical members of the LRE Water, Cherokee, and Meridian teams will consult as needed to coordinate the development of the model to meet project objectives.

LRE Water will prepare agendas, meeting/workshop materials, and meeting minutes.

II. TIME REQUIRED

We can begin the proposed services as soon as we receive authorization to proceed. We are proposing the following schedule for completion of the tasks described above:

Time	Task	Description
June:	5A	Existing model adaptation and update
July:	5B	Model Calibration

August/September:	5C	Forward model scenarios
October:	5D	Replacement plan application modeling technical memorandum
June-October:	5E	Meetings and team communication

This schedule may be adapted to changes in the application hearing schedule or other intermediate milestones or deadlines. Delays caused by major changes in the project plans or by circumstances beyond the control of the engineer could extend the time of completion.

III. COST ESTIMATE

Based on the information available at this time, we believe the services described above can be accomplished as a time and materials contract not to exceed \$ 104,707. Additional task cost information is provided in Table 1 below. These estimates are based on our current understanding of the modeling needs and objectives and there is uncertainty in the effort required to address potential objector issues and project-team member input ahead of time, as well as the uncertainty in the amount of calibration and sensitivity analyses necessary. Should the need arise, we suggest allowing the LRE project manager to adjust budget amounts between tasks with prior authorization from Cherokee. If additional level of effort and budget is deemed to be necessary in consultation with Cherokee and legal counsel, a revised proposal or change order will be prepared.

Table 1 - Project Cost Estimate

Task No.	Task Name	Hours	Labor Costs	Expense s	Total
5A	Existing model adaptation and update	124	\$ 19,520	\$ -	\$ 19,520
5B	Model Calibration	162	\$ 24,903	\$ -	\$ 24,903
5C	Forward model scenarios	100	\$ 16,352	\$ -	\$ 16,352
5D	Replacement plan application modeling	92	\$ 15,968	\$ -	\$ 15,968

Mr. Jeff Munger
18 June 2021
Page 6 of 6

		technical memorandum			
5E	Meetings and team communication	116	\$ 27,464	\$ 500	\$ 27,964
Totals		594	\$ 104,207	\$ 500	\$ 104,707

We look forward to discussing this proposal with you. Thank you for the opportunity to present this proposal to Cherokee.

Exhibit B
First Addendum to Cost-Sharing Agreement

In addition to any other meetings or communication contemplated by the Task 5 memorandum, Lytle Water Solutions shall be provided with the opportunity to review and provide input on the Task 5 modeling work at the following points, for the purpose of finalizing the replacement plan amendment.

1) Task 5A:

- a. Review LRE's conclusions related to what of the Principia model can be used as the base for the revised model, and what approaches that were used are suitable for the revised model.
- b. Discuss with LRE their recommendation regarding the selection of the model codes to use for the flow model, particle tracking, and fate and transport.
- c. Review appropriateness of changes after LRE has developed their plan for the proposed changes to the existing model, as well as the proposed length and inputs for the future simulations. This includes both the flow model assumptions and the fate and transport model assumptions.
- d. Review model input files after the model, or models, have been constructed and prior to calibration.

2) Task 5B:

- a. Review the results of the model calibration.

3) Task 5C:

- a. Review the proposed future simulations and the inputs (an extension of the review in Task 5A.c. above).
- b. Discuss with LRE the use of sensitivity analyses to develop the amendment to the replacement plan.
- c. Review the future simulation results to assess defensibility for the replacement plan hearing.