

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Wednesday, January 17, 2007 at 6:30 p.m., at the GVR Metropolitan District Office, 18650 East 45th Avenue, Denver, Colorado.

Attendance

A regular meeting of the Board of Directors of GVR Metropolitan District, Denver, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado with the following directors present and acting:

T.J. Stone, President
Elana Perry, Vice President (excused for cause)
Marlene Martin, Secretary/Treasurer
Michael George
Joanne True

Also present were:

Evan D. Ela, Collins Cockrel & Cole, a professional corporation;
Micaela Duffy, Interim District Manager; Brian Ter Hark, Master HOA; Gary B. Haley, Paul Gilberto, Art Connolly.

1. Call to Order

Chairman Stone called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:41 p.m. Chairman Stone noted the absence of Director Perry, and explained to the Board that he understood that she had been traveling with her family and was returning to town the evening of the meeting. **Upon motion by Director Martin, seconded by Director George, the Board unanimously approved excusing the absence of Director Perry.**

2. Approve Agenda

Chairman Stone noted for the Board that he was adding agenda No. 5.b.i check detail for approval of one item exceeding \$15,000 requiring Board approval. He also noted three additional discussion items as follows: snow removal, DU contract renewal and the District Manager position description. There being no further changes to the agenda, the Board agreed to the revisions by consensus.

3. Presentation by Paul Gilberto and Art Connolly on Graffiti Problem

Paul Gilberto addressed the Board on the continuing graffiti problem within the District. He provided a handout to the Board that tabulated the number of graffiti incidents across the City of Denver and specific geographic areas. He noted that the GVR District is included within an area that also includes Montbello and other neighborhoods in NE Denver. He noted for the Board that there were approximately 1,000

reported graffiti incidents through 11 months of 2006 within GVR, and hundreds more that had gone unreported due to the fact that he and Mr. Connolly had removed them without involving the City's tracking system. He related the rather cumbersome process of reporting graffiti incidents to the City, and obtaining the resources necessary for removal. He stated he and Mr. Connolly's continuing commitment to clean up graffiti as it occurs, but requested the Board's help as follows:

- Use of a small indoor area to store paint and other supplies used in removing graffiti.
- Use of a District phone as the graffiti hotline location for the Green Valley Ranch area.
- Help from District staff during the peak summer months to find and remove graffiti.

Mr. Gilberto explained that removal of graffiti from most surfaces is fairly simple with chemical wipes, but that it required much greater effort to remove graffiti from cedar fences and concrete surfaces. He explained that a power washer, such as the kind owned by the District, could remove graffiti from cedar fencing and concrete, which would allow him and Mr. Connolly more time to do the paint-over removal on other surfaces. He also stated that local response could be much quicker with a local hotline rather than having to go through the City hotline process. A storage location would be beneficial in order to eliminate lengthy trips from the neighborhood to downtown Denver to obtain supplies such as paint and chemical wipes, and Denver would be able to deliver the supplies to the District offices.

The Board actively discussed ways that it could participate in improving the community's response to removing graffiti as it occurs and ways to accommodate the specific requests made by Mr. Gilberto. Chairman Stone suggested that the District activate one of its unused telephone numbers for the neighborhood hotline and use of the District's GIS employee as the logical staff person to coordinate the hotline and to record the locations of each graffiti incident within the GIS. This would provide a long-term geographic record and enable later analysis to identify where the problem areas are and potentially help law enforcement to catch the perpetrators. He mentioned that because the District intends for the Master HOA to fund approximately one-half of the GIS position, he would present this additional job responsibility to the HOA Board at its next meeting for approval. Director Martin suggested that it may also be desirable to recruit a volunteer coordinator for facilitating responses to reported graffiti incidents. Chairman Stone also recommended storing the supplies in the proposed storage area of the new maintenance building for easy

access to the graffiti committee. Chairman Stone reminded the Board that it is customary for the Board to develop a policy and procedure before implementing any program, and that it would be appropriate to develop such a policy for the graffiti hotline/response system.

Upon motion by Director George, seconded by Director True, the Board agreed to grant the requests made by Mr. Gilberto and Mr. Connolly by developing a policy to direct the District's staff in establishing and operating a hotline and a response procedure to reported graffiti incidents, all subject to approval by the Master HOA for making the hotline a responsibility of the jointly funded GIS employee. The motion passed unanimously.

4. Comment Period

a. **Developer Representative(s)**

No one was present at the meeting to represent Oakwood Homes.

b. **Master Homeowners Association Representative**

Mr. Brian Ter Hark, Manager for the Master HOA, reported to the Board that his office had received numerous calls from residents due to the recently raised HOA fees and due to snow removal problems. The Board generally reflected its expectations of public response to the raised Master HOA fees and expressed its desire to improve response to snow removal problems. The Board recognized that the unusually high accumulations of snow did make snow removal more difficult than in past years.

c. **Public Comment**

No one from the public made further comment.

5. Consent Agenda

Director True inquired about payments made to Diana Willman during December, stating her belief that Ms. Willman was on leave without pay during December. Micaela Duffy stated that it was probably due to the lagged effect of the District's pay schedule and that she would investigate. **Upon motion by Director Martin, seconded by Director True, the Board unanimously approved the balance of the consent agenda without approval of payroll, pending further explanation by the staff.**

Micaela Duffy obtained the payment records and explained to the Board that although Ms. Willman was on leave without pay during December the payments made during December were caused by the lagged compensation protocol in use by the District, and that Ms. Willmans's leave without pay during December should result in non-payment during the month of January even though she is back to paid

status during January. She explained that salaries are paid two weeks in arrears based on the pay period schedule employed by the District. Director True stated that she had no objection to the payments as explained. **Upon motion by Director True, seconded by Director George, the Board unanimously approved the payroll schedule without further discussion.**

6. Director Items

No directors had specific items to bring before the Board. Chairman Stone then informed the Board that heavy snows during the holiday period had created challenges for the Winter Recreation Program and the snow removal services provided by the District. He described for the Board how the storms had interrupted the Winter Recreation Program, and how the staff had reacted to closure of the program and informed affected parents as appropriate. He mentioned that the District should adopt revisions to its personnel manual to define a snow day, and what is expected from staff on such days.

7. Legal Report

a. Notice of Lien for Filing 51

Mr. Ela explained that during his firm's inventory of all the Notices of Lien that had been filed on behalf of the District, Ms. Micki Wadhams of this office had discovered that the Notice of Lien for Filing 51, although submitted to the City of Denver for recording, had never been recorded, and had been lost by the City of Denver staff. Mr. Ela informed the Board that a replacement Notice had been prepared and should be signed by the Chairman so that it can be resubmitted to the City for recording. The Board provided consensus approval to file the replacement Notice of Lien.

The Board then inquired of Mr. Ela whether system development fees had been paid by Triangle Partners for the existing commercial development within that planned development, namely Dominos Pizza and H&R Block, and whether a system development fee had been paid by Oakwood Homes for the vehicle storage lot on Picadilly. Mr. Ela responded that to his knowledge, neither of those system development fees had been received by the District. Micaela Duffy confirmed that these fees had not been received. He agreed with the Board that his office would send a notice to Triangle Partners and to Oakwood Homes informing them of the delinquency of their fees and the amount of penalties that had accrued to date.

b. Memorandum Concerning Reporting of Gifts and Honoraria

Mr. Ela directed the Board's attention to a memo from his firm describing ambiguity among two statutes that, when read together, may require District Board members to submit reports to the Denver County Clerk and Recorder of the receipt of any honoraria, gifts or

other compensation for activities related to political or District issues. He explained that unless Board members believe that their compensation from the District would exceed \$1,200 per year, the reports are not required.

8. Discussion Items

a. **Website Project**

Chairman Stone explained the status of the website development, and delays in implementing the text and structural revisions legal counsel has advised. Apparently, there have been communication breakdowns within the committee structure. He stated that Director Perry has now been provided with all edits and has been asked to work with the contractor to finalize a version for launch no later than January 31st.

Director Martin inquired whether the Chairman of any of the District's committees could be a non-Board member. Chairman Stone advised the Board that it has been past policy of the Board that committees be chaired by Board members, and Mr. Ela informed the Board that legally anyone could serve as a committee Chairman under the Board's direction. The Board then discussed the possibility of appointing Gary Haley, the District's new website development contractor, to chair the website development committee for all new initiatives. The Board expressed its desire to get the greenvalleyranch.info website launched by January 31st. **The Board agreed by consensus that Gary Haley could serve as Chairman of the website committee, but appointment of him as Chairman would depend on Chairman Stone's discussion with Director Perry.** Mr. Haley and the Board agreed that a meeting of the IT Committee should be scheduled in February, so that redevelopment of the GVRMetropolitanDistrict.org site could begin.

b. **Community Center Project**

Director True reported to the Board on progress made since the last Board meeting. She circulated for the Board's review a finalized floor plan and site plan, and explained the various features of both. She reported that a verbal agreement had been reached with Denver Public Schools concerning a joint-use of the Marama Elementary parking lot by the District and the school, which will enhance the community's use of the Community Center. She asked that the Board consider approving the currently proposed plan configurations, so that the architect can be instructed to go forward with design and can develop cost projections. She suggested that the Board approve the proposed plans subject to changes in total floor plan area if necessary to

meet budget targets, and/or minor changes made to address non-substantive details and authorize her and Chairman Stone to make minor design changes accordingly. **Upon motion by Director George, seconded by Director Martin, the Board unanimously approved the plans as presented and granted Director True and Chairman Stone the authority to make final minor design changes as necessary to finalize the plans.**

c. **Maintenance Building Project**

Mr. Ela reported that he had had discussion with City of Denver concerning its requirement that the District dedicate a 5-foot wide addition to the easement for Argonne Street. City comments on the plans for the Maintenance Building had requested dedication of the additional strip of easement. Mr. Ela advised the Board that because the dedication of this additional strip had not been raised during the PUD approval process, it may be possible to convince the City of Denver to exclude that requirement and allow the project to proceed. The Board authorized Mr. Ela to attempt to obtain a waiver from the City, but not to unnecessarily delay progress on the project to do so.

d. **Resolution Concerning Location for Posting Notice, Resolution No. 01-17-07**

Mr. Ela directed the Board's attention to the draft resolution and explained the statutory requirement of approving such a resolution on the first meeting of the Board each year. **Upon motion by Director True, seconded by Director Martin, the Board unanimously approved Resolution No. 01-17-07 establishing the District Administration Building as the posting location for 24-hour Meeting Notices.**

e. **2007 Work Plan and Budget**

Chairman Stone informed the Board that he and Ms. Duffy had recently met again with Mr. Foster to match developer projects to past reimbursements that had been made. He stated that the meeting went well and resulted in Mr. Foster learning of paid reimbursements that he was unaware of. Chairman Stone related that Ms. Duffy will be incorporating the results of the meeting into the spreadsheet maintained by the District indicating projects completed and reimbursements made so that the Board can be advised on the funds available for future reimbursements.

f. Consideration of an Agreement with The Mercer Group, Inc.

Mr. Ela directed the Board's attention to the proposal submitted by the Mercer Group for its services in advertising for and selecting District Manager candidates. He identified for the Board certain inaccuracies in the general description of the District contained within the Mercer proposal, but also identified revisions made to the proposal on the basis of comments of his firm. The Board generally discussed its desire to go forward with the District Manager search, but expressed concern on the cost of interviewing too many applicants from other parts of the country, and the expected expense of moving a successful candidate from another part of the country. The Board discussed and was in favor of imposing three additional criteria on the Mercer Group's selection process as follows:

- The Board will not pay moving costs for any successful applicant.
- The pool of potential applicants should not include more than two or three from outside of the Front Range region.
- The pool of finalists as recommended by the Mercer Group should not contain any more than half of such individuals from the Mercer Group's referral pools to other clients within the past year.

Upon motion by Director Martin, seconded by Director True, the Board unanimously approved the proposal with the Mercer Group, and directed Mr. Ela to correspond with the Mercer Group to inform them of the three additional criteria that must be added to the selection process.

g. Consideration of an Agreement with the Master HOA Regarding GIS

Mr. Ela provided the Board with a draft agreement calling for the Master HOA to share in the cost of the District's full-time GIS employee. Chairman Stone and Mr. Ela explained that the Master HOA would fund approximately one-half of the annual cost of the position, but that the person in the position would be a full-time employee of the District receiving all benefits offered by the District. Mr. Ela suggested that signators on the agreement should be members of each of the Boards that are not also members of the other Board. For example, Chairman Stone should not sign the agreement in either his capacity as Chairman of the District or as Chairman of the Board of Directors of the Master HOA. The

Board discussed who would be the appropriate signators. **Upon motion by Director George, seconded by Director Martin, the Board unanimously approved the agreement with the Master HOA subject to edits as discussed and subject to approval by the Master HOA at its upcoming Board meeting. Mr. Ela was directed to provide a revised draft to Mr. Brian Ter Hark in time for inclusion of the draft in the Board packets for the Master HOA meeting.**

h. Snow Removal Update

Chairman Stone related some confusion during the holiday storms that resulted from the District staff seeking help from Urban Farmer in clearing snow. Apparently, a delay in contacting Urban Farmer resulted in their inability to respond even though they were under contract with the District to help with snow removal. The Board generally discussed the difficulties of the holiday storms but did express a collective desire that snow removal procedures improve, and that Urban Farmer honor its contractual commitments in future storms.

i. DU Contract for GIS Services

Mr. Ela reported to the Board that he had corresponded with Ms. Francine Beck at DU to put in place a renewal of the contract for GIS services for 2007. Chairman Stone informed the Board that Francine Beck would be leaving DU to work in private industry, and that the department head at DU would become the principal on the contract. He informed the Board of the possibility that the private company for whom Ms. Beck will be working may be able to provide the same function as DU, and that it may be preferable for the District to contract with the private company instead of DU. It was concluded that the Board would not have to make a decision on this matter until consideration of a contract for 2008, unless circumstances required a sooner consideration.

j. District Manager Position Description

Mr. Ela provided a revised draft of the District Manager position description for the Board members and explained certain edits that had been completed by Linda Alexander of his firm. The Board generally discussed language used and made suggestions on further minor revisions to the language. **Upon motion by Director George, seconded by Director Martin, the Board unanimously approved the District Manager position description with edits as discussed, and directed Mr. Ela to forward the final version to the Mercer Group for use in the**

District Manager search process.

9. Executive Session Chairman Stone explained to the Board the need for entering executive session to discuss correspondence received from attorneys for Oakwood Homes. **Upon motion by Director True, seconded by Director George, the Board vote four (4) in favor and zero (0) opposed to enter executive session at 9:39 p.m.**
The Board reconvened its regular meeting at 10:06 p.m.
10. Other Matters The Board entered a discussion of a rearrangement of staff positions necessary to accommodate the operations and expanded programs related to construction and operation of the new Community Center. The Board reviewed its prior discussions concerning creation of an Office Manager position with greater job responsibilities than the current Office Assistant position, and for the District Manager to perform fewer of the daily office tasks than had been performed by Ms. Witcher. The Board agreed to discuss the necessary staffing changes at future meetings in the hope of developing a final organizational chart capable of covering all expanded District services and management of properties.
11. Adjournment **Upon motion duly made and seconded the meeting was adjourned at 10:40 p.m.**

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Board of Directors of the District on 21st day of February 2007.

Respectfully submitted,

/s/

Marlene A. Martin, Secretary