

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Friday, March 2, 2007 at 6:30 p.m., at the GVR Metropolitan District Office, 18650 East 45th Avenue, Denver, Colorado.

Attendance

A special 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
Marlene Martin, Secretary/Treasurer
Michael George
Joanne True

Also present were:

Evan D. Ela, Collins Cockrel & Cole, a professional corporation;
Charlie Foster, representing Town Center Metropolitan District and Oakwood Homes;

1. Call to Order

Chairman Stone called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:35 p.m.

2. Approve Agenda

Chairman Stone suggested moving the director items lower in the agenda so that it would follow item 6. With that change, the agenda was approved by consensus.

3. Public Comment Period

There was no public comment.

4. Consent Agenda

Chairman Stone informed the Board that an invoice had been received from C4i, the District's architectural consultant, totaling \$10,873.70. He stated that there had been a mix up on delivery of past invoices, and that this combined invoice was for work performed in the months of October, November and December 2006. Other vouchers for payment were reviewed. **Upon motion by Director Martin, seconded by Director Perry, the Board unanimously approved payment of all vouchers including the C4i combined invoice.**

5. Discussion Items

a. Consideration of 2007 Cash Plan

Chairman Stone distributed to the Board several summary sheets

from the 2007 Cash Plan. He explained that he and Micaela Duffy had managed to complete revisions to this plan and noted for the Board that the plan indicates there will be \$1,806,535 available to meet reimbursement requests submitted by Oakwood Homes. He noted that the reimbursement request recently submitted totaled approximately \$2.3M indicating a shortfall between the amount available for reimbursement and the amount requested. The Board discussed the several assumptions upon which the cash plan is based, including an estimate of system development fees that would be collected during 2007 and other budgetary assumptions.

Mr. Foster, in the audience, addressed the Board on his desire that the Board sign the proposed IGA concerning the allocation of cost for improvements to Picadilly Road. He stated that the IGA was an approach different from past projects aimed at a more active participation by GVR during the project. He also agreed that the IGA would require payment by the District of monthly invoices for reimbursement as costs are incurred rather than the method currently employed by the District to reimburse actual costs only after a project has been completed and accepted by the City of Denver. The Board questioned Mr. Foster as to why the City of Denver did not pay for the Picadilly Road construction adjacent to City-owned open space land bordering Picadilly between 38th and 42nd Avenues. Mr. Foster could not explain why that had not been part of the cost allocated to the City. Mr. Foster also urged the Board to consider authorizing reimbursement of actual cost on a portion of the 42nd Avenue bridge project that had been completed and for which reimbursement is included in the current request. He stated that the Board's past authorizations of Annual Work Plans had never included that bridge project. The Board inquired of Mr. Foster what the adjustment in the District's estimated cost would be if it were to obligate itself for reimbursement only of the portion of Picadilly improvements extending between 42nd and 48th Avenues. He stated he did not have that estimate but it could be determined. The Board generally expressed its preference to limit its participation only to the portion of Picadilly adjacent to tax-paying property within the District rather than City property.

b. Consideration of 2007 Work Plan and Budget

Chairman Stone introduced for the Board the topic of considering the 2007 Work Plan and Budget as proposed by Mr. Foster on behalf of Oakwood Homes. The Board continued its discussion of the budgetary impacts on the District of funding developer projects in general, the projects for which a reimbursement has recently been requested, and the addition of reimbursement of a portion of the 42nd Avenue bridge and the Picadilly Road improvements. The

Board also discussed the implications of agreeing to the terms of the proposed IGA concerning Picadilly Road improvements rather than relying on the existing method of considering reimbursement request under the terms of the 1997 SDF Credit Agreement. The benefits of applying accumulated system development funds toward early debt retirement and tax reduction was also discussed.

Upon motion by Director Perry, seconded by Director George, the Board unanimously passed Resolution No. 3-2-07 concerning authorization of the 2007 Work Plan including within that Resolution the Board's authorization to reimburse the developer for the \$260,000 cost incurred in the construction of the 42nd Avenue bridge.

c. Consideration of Proposed Agreement on Picadilly Improvements

Based on the discussion during earlier agenda items, the Board determined to take no action on the Picadilly improvements at this time.

d. Reorganization and Reclassification of Staff Positions

Chairman Stone described for the Board his work with Linda Alexander, legal counsel, to create the Office Manager position description. Mr. Ela distributed to the Board the latest draft prepared by Ms. Alexander earlier in the day. Chairman Stone led the Board through the job responsibilities and the requirements for the position. The Board generally agreed on the necessity of requiring a Bachelor degree in Business Administration or other appropriate field as a basic requirement to fill this newly created position. It was discussed that given the managerial, communication, records management and governmental compliance responsibilities of the position, a Bachelor degree was justified. **Upon motion by Director George, seconded by Director Perry, the Board unanimously adopted the position description with revisions noted as well as certain minor revisions that Chairman Stone identified.** Mr. Ela was instructed to have his firm make the required changes in the position description.

Chairman Stone distributed for the Board a draft organizational chart for District staff positions. The Board generally reviewed and discussed the chart and the changes it would create in the current organization. The Board discussed the need to reorganize due to the responsibilities and demands created by the Community Center and Maintenance Building projects and ongoing operations. **Upon motion by Director True, seconded by Director Martin, the**

Board unanimously approved the organizational chart.

In its discussion of the organizational chart and newly created Office Manager position, the Board discussed the elimination of the current Office Assistant position, which would entail a layoff of Diana Willmann. In addition to the normal payout of accrued leave and wages for a two week period, the Board expressed its desire to inform Ms. Willmann of the layoff and excuse her from the office at that time per District procedures. The Board also discussed its desire to provide a lump sum payment equal to four months health insurance premium for the level of coverage currently enjoyed by Ms. Willmann, grossed up to overcome payroll deductions so that the net amount received by Ms. Willmann would be equal to four months premium payments. The Board expressed its desire that in return for this additional lump sum compensation, Ms. Willmann would be required to execute a Release and Waiver of Claims against the District. Mr. Ela was instructed to have Ms. Alexander draft the appropriate release and waiver. **Upon motion by Director Perry, seconded by Director True, the Board unanimously approved the layoff of Ms. Willmann and elimination of the Office Assistant position.** Chairman Stone was instructed to inform Ms. Willmann of the layoff and position change at the earliest opportunity.

e. Consideration of Revisions to Personnel Manual

Mr. Ela distributed the latest draft of the District's Personnel Manual showing all revisions to the text made since the Board's last approval of the Personnel Manual of April 2004. Mr. Ela noted several changes for the Board, and informed them that most changes were based on an accumulation of changes discussed and requested by the Board over the past several months as well as revisions identified by Chairman Stone in his recent meetings with Ms. Alexander. Specifically, the Board took note of the addition of a tobacco use policy, the institution of a policy governing the gift of PTO between employees, refinements to the definition of anniversary date, revisions to the grievance procedure available to employees that have achieved the six-month probationary period and other revisions. The Board had a long discussion on the grievance procedure and whether it should be provided to all employees regardless of the length of employment, but no change was directed by the Board. **Upon motion by Director Martin, seconded by Director Perry, the Board unanimously approved all revisions to the Personnel Manual as presented in the draft.**

6. Directors Items

There were no items raised by any Directors.

7. Executive Session No executive session was held.
8. Other Matters Mr. Ela informed the Board that he had been contacted by Mr. Bob Fisher, attorney for Oakwood Homes, requesting a meeting to discuss the District's ongoing policy concerning reimbursement of developer project costs requested by the developer. Mr. Ela stated it was his belief that the meeting was requested as a follow up to the letter that the Board received from Mr. Fisher dated December 18, 2007. Mr. Ela stated that he had agreed to a meeting on March 14th pending discussion with the Board. The Board expressed its consensus that Mr. Ela should meet with Mr. Fisher and discuss all the relevant topics, including a potential resolution of any claims by the developer to system development fees for reimbursements.
9. Adjournment **Upon motion duly made and seconded the meeting was adjourned at 9:24 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 March, 2007.

Respectfully submitted,

/s/

Marlene A. Martin, Secretary