

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Wednesday, April 18, 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
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; Gary Haley, Website Committee Chairman.

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 Revisions to the agenda were suggested by Board members including the addition of items 7.f – Employee/Volunteer Participation in District Classes, 7.g – Graffiti Removal Program, 7.h – Letter from Charles Spratt, and 7.i – Selection Process for Office Manager position. Also pulled from the consent agenda for discussion were the draft minutes, payment vouchers and the financial report. By consensus, the Board approved the agenda with the noted revisions.

3. Comment Period **a. Developer Representative(s)**

Ms. Duffy reported to the Board that Charlie Foster would not attend due to a prior engagement.

b. Master Homeowners Association Representative

Chairman Stone reported to the Board that the homeowner convention was held. He stated that it was a well-planned, well-attended event with approximately 75 attendees, and that delegates

were elected in accordance with Master HOA procedures.

Chairman Stone also reported that a pre-bid meeting was held by the Master HOA concerning landscape maintenance contracts, and that bids by all potential contractors, including the GVR Metropolitan District, would be due in 10 days.

c. **Public Comment**

There was no public comment.

4. Consent Agenda

a. **Minutes**

i. March 21, 2007 Regular Board Meeting

The Board generally discussed the draft minutes for the March 21, 2007 regular Board meeting and suggested corrections and revisions. **Upon motion by Director George, seconded by Director Perry, the Board approved the minutes as revised by a vote of four (4) in favor and zero (0) opposed, with Director True abstaining.**

ii. Financials

Director Perry addressed the Board and the Interim District Manager with specific questions as follows:

- Director Perry questioned specific payments made to Board members for regular, special and work session meetings. Ms. Duffy explained that the different totals paid to Board members on this month's payment vouchers were due to the fact that there were several meetings in addition to the regular Board meeting, and attendance at such meetings differed. Director Perry said that she now understood how those payments were determined.
- Director Perry inquired why a "subject to change" watermark was shown on all financials. She asked why further changes might be made. Ms. Duffy responded that the financials as presented to the Board are final subject to any necessary revisions due to discrepancies with the bank statements. She said that the bank statements are not received until after the Board meeting and therefore she cannot reconcile and finalize the financials until the bank statements have been received.
- Director Perry asked why certain payments to Denver

Water, presumably for irrigation water are made by the District for specific addresses. Chairman Stone and Ms. Duffy explained that each of the water accounts that the District has for common area irrigation are assigned an address by Denver Water. They explained that Denver Water charges a \$5.98 minimum charge every month on all meters even if no water was used that month. So, even though it appears that the District is paying the water bill for specific residences within the District, it is in fact paying for only those addresses that correspond to community properties that the District maintains.

Upon motion by Director Perry, seconded by Director Martin, the Board unanimously approved the financial reports and payment vouchers.

iii. District Manager Report

Chairman Stone directed the Board's attention to committee reports contained within the District Manager report, and noted that a standardized format has been adopted for such reports. He asked for input from the Board on the format. He also directed the Board's attention to the list of recreational trips planned for the Summer Youth Program that was provided by the Recreation Program Manager. Director True inquired about activities reported on the Maintenance Manager's report that occurred during that Manager's week-long vacation. Ms. Duffy explained that some activities Mr. Miller had set up did occur in his absence, and therefore were noted in the week that such things occurred even though Mr. Miller did not actually attend.

Upon motion by Director True, seconded by Director Perry, the balance of the consent agenda including the District Manager report was unanimously approved.

5. Director Items

Director Martin reported on the luncheon presentation made by Charlie Leder concerning the pros and cons of community functions being performed by a special District rather than a HOA.

6. Legal Report

a. **District Graffiti Cleanup**

Mr. Ela directed the Board's attention to the release form he had prepared based on the release form used by the City of Denver for allowing public agencies to clean up graffiti on private property. He advised the Board that all authority for cleaning up graffiti and/or fining property owners for not removing graffiti rests within the City government and that the District really has no inherent power

to do so. However he recommended that the District provide a written notice to the City department that administers the graffiti clean up program for the City to inform them of the District's involvement and participation within the GVR Metropolitan District. Mr. Ela was directed to draft and send such a letter to the appropriate City department.

b. Honeywell Security System

Mr. Ela reported on his firm's analysis of the contracts by which the District security system had been constructed. He directed the Board's attention to a draft demand letter that he will send to the company following this meeting with the Board's consent. Mr. Ela stated that it appears that the District has timely made all payments to keep a maintenance contract in force and effect, and that Honeywell or its successor should be required to repair defective installation items and to make the system operate properly under its warranty and/or maintenance agreement. The Board directed Mr. Ela to send the demand letter as soon as possible. Chairman Stone interjected that input from Graham Golden, the District's IT contractor, may be necessary to inform Honeywell of cabling problems within the security system. Ms. Duffy was directed to obtain input from Graham Golden on the cabling problem, and further to develop a list of specific defects that can be provided to Honeywell after they respond to the demand letter.

7. Discussion Items

a. Website Project

Mr. Ela informed the Board that Ms. Alexander of his office has been working with the committee and GorillaSoft to get the website launched in accordance with the terms of the contract with GorillaSoft. Mr. Haley reported that he believes he has finally found a calendar program that will serve the District's needs at calendar.net. He reported it has a minimal annual fee, appears to work on the District's platform and is accessible by all current web browsers. He informed the Board that earlier calendars provided by Google and Bravenet were not acceptable because they were not accessible by software programs used by the District or the calendar itself was not functional enough. Chairman Stone reported another calendar program provided by Trumba was not acceptable because the tutorials did not operate properly, which undermined his confidence that the program would operate properly. Also he cited the high cost of \$100 per year. Mr. Ela was directed to inform Ms. Alexander of the deficiencies of these other calendar programs and to inform GorillaSoft that a final decision on the calendar program should occur during the week of April 23rd.

Chairman Stone reported that the Master HOA site map was nearing completion. He stated that it will interface nicely with the greenvalleyranch.info website. Director Perry inquired whether the Ebert and Town Center Metro District websites would also be interfaced into the greenvalleyranch.info site. Chairman Stone responded that they could be, but there are no plans and there has been no communication with those Districts to date on that topic.

b. Community Center Project

Director True and Chairman Stone stated their problems in obtaining a satisfactory work product from Roybal Architecture concerning the Community Center project. The Committee has provided Mr. Roybal with information to use in scaling down the square footage in the floor plan and adjust cost estimates for a smaller building to fit within his stated \$160 per square foot estimate at the inception of the project. Mr. Ela advised the Board that his firm had reviewed the contract as to all aspects of termination and unsatisfactory performance. He stated that one approach is to go forward and to obtain bids on the project, but to identify portions of the project which would be alternate bid items such as a basement, a large fireplace structure, the commercial kitchen, etc., portions of the project that could be built at a later time if bids are too high to allow complete construction of the project at one time. He explained that architect's and engineer's estimates are often higher than the actual bid numbers received depending on the competitiveness within the contractor market. He explained that in order to do the alternate bid process, the committee and Roybal would need to prepare an essential elements list containing all portions of the project that are essential for the base bid price, and then couple that with the alternate bid items so that a complete contract for an affordable project could be pieced together once the bids have been received.

Director True expressed her frustration in working with Roybal to find cost savings by such things as narrowing the hallways, lowering the roof, reducing the size of the basement, and other alternatives. She stated that Roybal has been reluctant or very slow in providing revised conceptual drawings with these items.

Director True also reported on a meeting with 3PM Design, LLC, a kitchen design and equipment contractor. She stated that she was very pleased with the company's qualifications and that initial estimates of equipment costs were substantially lower than Mr. Roybal's estimates. She stated the committee's desire to continue working with 3PM Design on designing and equipping the kitchen for the Community Center.

Director True informed the Board that Mr. Roybal had been given yet another date of Wednesday, May 2nd to provide the changes to the conceptual drawings with reduced square footage and other cost-savings measures. She and Chairman Stone expressed their interest in terminating Mr. Roybal's contract and finding a better alternative for finalizing the design and moving forward with the project.

c. **Maintenance Building Project**

Mr. Ela reported to the Board that he had been told by Mr. Steve Kotris that the plans for the Maintenance Building project had been submitted to the City on April 17th. Comments are expected from the City on this second submittal within two to three weeks. Chairman Stone inquired whether the deed by which the District would dedicate 5-feet of additional right-of-way along Argonne Street had a provision in it to retain for the District an easement for its fence that extends into the additional strip of property. Mr. Ela stated he would verify that that language was in the deed. Mr. Ela also reported that he had not had any feedback from Michael Hancock concerning his intervention to eliminate the need for the District's dedication of the additional right-of-way.

d. **Consideration of Resolution No. 4-18-07 Concerning Payment of Invoices**

Chairman Stone described for the Board that a prior resolution was in effect, but was outdated due to certain changes in the District's procedures. He stated that he had asked Mr. Ela to draft the proposed resolution to modify the policy in conformance with current practices. **After review and discussion of the resolution, upon motion by Director Martin, seconded by Director True, the Board unanimously approved Resolution No. 4-18-07.**

e. **District Manager Search Process**

Chairman Stone distributed to the Board a report from the Mercer Group on potential candidates for the District Manager position. Chairman Stone suggested a special meeting be set for the Board to evaluate and discuss the District Manager candidates for interviews. The Board discussed and determined to hold a special meeting on April 26, 2007 at 6:30 p.m. for such purpose. The Board discussed the method that it would use for evaluating the candidates and Chairman Stone offered to provide a quantification matrix styled after the one that has been used in prior candidate evaluations.

f. Registration of Employees Taking District Classes

Chairman Stone reminded the Board that at a prior meeting, when the Board approved its policies for volunteers in the District's recreation programs, one of the perks to be offered to volunteers was the opportunity to take District classes coupled with free tuition for such classes. He informed the Board that although the policy had been passed, the actual criteria to be applied had not been determined. Ms. Duffy recommended to the Board adoption of a minimal \$5 registration fee for any District volunteers or employees seeking to participate in the District classes. The Board discussed its desire to make these classes available, but that the positions in the class not be taken by District volunteers or employees if there are other District residents seeking to pay for the class. **Director Perry moved that the Board institute a \$5 registration fee for District volunteers and employees to participate in District classes, with tuition remaining free, but that registration be limited to a space-available basis. The fee shall apply to volunteers and District employees, and employees and/or volunteers must participate in the classes on their own time. The motion was seconded by Director George and was passed unanimously by the Board.**

g. Graffiti Program

Ms. Duffy advised Mr. Ela of certain revisions needed on the release form his firm had drafted by which property owners would allow the District to remove graffiti from private property. Mr. Ela took the revisions and stated that he would provide a final version the following day for Ms. Duffy to begin using.

h. Charles Spratt Letter

Chairman Stone directed the Board's attention to a letter addressed to the Master Homeowners Association, and copied to the Metropolitan District Board, from Mr. Charles Spratt, a former Board member and community activist. The Board reviewed the letter and noted several erroneous assertions made by Mr. Spratt. They discussed the continuing need to improve communication with District residents on the matters raised by Mr. Spratt's letter, such as the obligation to care for common areas under funding provided by either the Master Homeowners Association or the District.

i. Letter from Betsy Taylor

Chairman Stone directed the Board's attention to a letter received from Betsy Taylor, the current Office Assistant independent

contractor. Ms. Taylor's letter requested that she be considered for the District's vacant Office Manager position and stated her qualifications along with a resume. The Board generally discussed Ms. Taylor's performance from the past four months as a contractor and ultimately directed Director Martin to offer Ms. Taylor the Office Manager position at a salary of \$17.00 per hour plus full District benefits. Reservations were expressed by some Board members that Ms. Taylor may not accept the job at that pay scale, but the Board determined it could discuss Ms. Taylor's response at its upcoming meeting on April 26, 2007 if need be.

The Board then discussed the candidates for maintenance positions with the District, noting one over-qualified individual, and the wisdom of hiring that individual at a pay scale greater than had been advertised. After a long discussion the Board directed Director Perry to make offers to the two top maintenance candidates for no more than the advertised pay scale, noting that if the candidates turned down the positions, that Ms. Duffy continue interviewing candidates in the candidate pool so that the position can be filled.

8. Executive Session **Upon motion by Director George, seconded by Director True, the Board voted four (4) in favor zero (0) opposed to enter executive session at 10:16 p.m. to obtain advice from legal counsel concerning architectural contract matters, pursuant to Section 24-6-402(4)(b), C.R.S. Director Martin abstained from the vote.**

The regular meeting was reconvened at 11:46 p.m.

9. Other Matters No other matters were discussed.

10. Adjournment **Upon motion duly made and seconded the meeting was adjourned at 11:48 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 16th day of May, 2007.

Respectfully submitted,

/s/

Marlene A. Martin, Secretary