

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Wednesday, May 16, 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; Charlie Foster, Oakwood Homes; Brian TerHark, Master HOA; Paul Gilberto.

1. Call to Order

Chairman Stone called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:33 p.m.

2. Approve Agenda

Mr. Ela requested that the agenda be amended to add item 6.b Conflict of Interest Disclosures and 6.c Meeting with Representatives of Oakwood Homes. By consensus, the agenda was approved as amended.

3. Comment Period

a. Developer Representative(s)

Mr. Charlie Foster stated that he had no particular comments for the Board.

b. Master Homeowners Association Representative

Mr. Brian TerHark reported on activities of the Master HOA as follows:

- Mr. TerHark reported that contracts for maintenance of landscaping on Master Homeowner Association properties have

been awarded to the GVR Metropolitan District. He stated that his office and staff and attorneys for the Master HOA would be working to finalize the contracts by the beginning of June.

- He reported that they did not achieve a quorum for the Annual Delegate meeting, therefore new board members could not be elected to replace board members who are up for re-election. He said another Delegate meeting will be rescheduled, and that all sitting board members will remain in their positions until an election can be held and new board members elected.

c. Public Comment

There were no public comments.

4. Consent Agenda

Members of the Board requested that the minutes from the April 18th regular Board meeting and the April 26th special Board meeting be removed from the consent agenda for review and discussion.

a. Minutes

i. April 18, 2007 Regular Board Meeting

The Board generally discussed necessary revisions to the draft minutes. **Upon motion by Director True, seconded by Director Martin, the Board unanimously approved of the minutes as revised during discussion.**

ii. April 26, 2007 Special Board Meeting

Mr. Ela distributed a draft of the minutes for the Board's review. After review, no member of the Board had revisions to suggest. **Upon motion by Director Martin, seconded by Director George, the Board approved of the minutes by a vote of four (4) in favor and zero (0) opposed, with Director True abstaining due to the fact that she had not attended the Special Board meeting.**

Upon motion by Director Martin, seconded by Director Perry, the Board unanimously approved the balance of the consent agenda without further discussion.

5. Director Items

Chairman Stone reported to the Board on the Youth Program awards ceremony that had recently been held. He informed the Board that the members of the staff were generally pleased to participate in the awards program and that it was good for the program to recognize achievements by the staff.

6. Legal Report

a. Security System Repair

Ms. Duffy reported to the Board that the company that installed the camera system and to whom annual warranty payments have been made, had recently come to the property and was investigating how to remedy the system. Mr. Ela inquired whether a list of specific defects had been provided to that company? Ms. Duffy reported that all information on specifics have been provided to the attorney's office along with the original investigation on the problem. The Board discussed the need to provide a specific list to the company, and directed Mr. Ela to have his office prepare and submit the list of defects.

b. Conflict of Interest Disclosures

Mr. Ela provided draft letters for Board members Stone, Martin and True to review concerning the potential for conflict of interest to arise due to all three members positions on the Board of Directors of both the District and the Master HOA. He explained that although the precise language of the statute does not consider holding positions on both Boards to automatically create a conflict, in situations when the two entities are contracting with one another, the Board members should declare the potentiality of a conflict at both the HOA and the District meetings, and to meet the statutory requirements governing Special Districts, submit a letter to the Secretary of State's Office explaining the potential conflict. Mr. Ela explained that the law is slightly different governing conflicts of interest for HOA Board members than it is for District Board members, but that both require an open disclosure at any meeting at which contractual matters between the two entities will be discussed or acted upon. In particular, he encouraged the Board to revise as necessary, execute, and send letters to the Secretary of State's Office well before the June District meeting, at which time it is expected the Board will consider action upon landscape maintenance contracts between the Master HOA and the District.

c. Meeting with Representatives of Oakwood

Mr. Ela confirmed for the Board that a meeting had been set for May 30th at 5:30 p.m. between attorneys and representatives of Oakwood Homes, his office and representatives of the District. He reported that Director True and Chairman Stone will represent the District at the meeting along with himself and Mr. Bob Cole. He stated that he expected Mr. Bob Sanderman and Charlie Foster to represent Oakwood Homes, along with attorneys for Oakwood, Mr. Bob Fisher and Mr. Darrel Haas. The purpose of the meeting is to

continue discussion of Oakwood's expressed concerns about obtaining reimbursement for its cost in installing improvements within the District, and the District's progress in approving recently submitted reimbursements.

During the discussion, Chairman Stone directed the Board's attention to a letter drafted by Ms. Happy Haynes concerning her belief that the February 22, 2003 Development Agreement between Oakwood Homes entities and City of Denver placed responsibility for some of the medians on the District. Mr. Ela stated his belief that Ms. Haynes was not correct in her understanding of the agreement, and that the agreement did allocate responsibility for certain medians between the two entities, but reminding the Board that the District was not a signatory to that Development Agreement, and therefore is not bound by its terms.

The discussion then turned to system development fees not yet collected from commercial development occurring within the Tower Commons commercial development. Members of the Board mentioned that a new Carls Jr., a hamburger restaurant, was being constructed, indicating that a building permit had been issued and therefore the system development fee was due to the District. Mr. Ela was directed to send a letter notifying Tower Commons of its delinquent system development fee for that particular restaurant and requesting copies of the site plan so that system development fee can be determined.

7. Discussion Items

a. Website Project

Mr. Gary Haley provided the Board with a report on the status of his committee's activities.

- He said that the committee is working on the HOA website to integrate its link to the greenvalleyranch.info website. Mr. TerHark stated that he can provide digital information from the Master HOA if Mr. Haley would provide the list of materials he needs.
- Mr. Haley reported that the greenvalleyranch.info website was nearly ready to launch permanently. Comments on the final draft version were being transmitted to GorillaSoft on May 17th, and the site should go live soon thereafter.

b. Community Center Project

Mr. Ela inquired of the Board its direction concerning the District's contract with Roybal Architecture. Director True reported that Mr.

Roybal had not yet responded to the ultimatum of May 14th requesting a revised floor plan containing the reductions in size that had been determined by the committee and communicated to Roybal on prior occasions. Because of Mr. Roybal's non-responsiveness, the Board directed Mr. Ela to send a letter to Mr. Roybal terminating the contract with his architectural firm and demanding that he provide the Instruments of Service as allowed in the contract when terminated for cause. Director True stated that once such Instruments of Service were received, the committee intends to provide such information to two other architects that were in the interview pool when Mr. Roybal was selected. She also stated that the committee will be seeking information from construction firms concerning costs and proposals to complete the project. Thereupon the Board entered a long discussion concerning its frustration in getting adequate professional support from Mr. Roybal and his failure to timely provide revisions to the design products that had been discussed and asked for. **Upon motion by Director True, seconded by Director Martin, the Board directed Mr. Ela's firm to proceed to terminate the contract with The Roybal Corporation as soon as possible and to seek transmittal of the Instruments of Service. The motion passed unanimously.**

c. **Maintenance Building Project**

Mr. Ela reported that a resubmittal of the drawings and design information with revisions as requested by the City's latest review could occur quite soon. He explained that his investigation indicated that another \$2,500 fee will need to be paid for the review performed by the City Surveyor. He stated that Ms. Janelle Flaig had informed him that other fees may be charged by other city departments for their review. Mr. Ela encouraged the Board to reconsider any further protest of dedicating a 5-foot additional strip of property to the City to complete the Argonne Street dedication to full width. He explained that Michael Hancock had been non-responsive to his e-mails seeking intervention and discussion of the dedication requirement and informed the Board that his latest request had also been copied to the two at-large City Council members. The Board discussed the effort necessary to avoid the dedication but restated its collective intent to avoid the dedication if possible. Mr. Ela was directed to contact Mr. Hancock again and request a meeting to discuss the requirement. The Board also directed that at-large Council members Boigon and Linkhart be copied into such request.

d. **Developer Reimbursement Request**

Chairman Stone informed the Board that he had contacted Mr. Kevin Collins concerning Mr. Collins firm doing the audit of the reimbursement request recently submitted by Oakwood Homes. Mr. Collins has agreed to do the audit and stated that it could be completed as early as the next regular meeting. Mr. Ela mentioned to the Board and Mr. Foster that although HC Development was requesting the reimbursement, Oakwood Homes' rights under the 1997 SDF Reimbursement Agreement had never been formally assigned to HC Development as required by the contract. Mr. Foster stated that he would have Oakwood submit a request for the District's consent to such an assignment according to the terms of the agreement.

e. **Master HOA Landscape Maintenance Contract**

Chairman Stone informed the Board again that the District had been selected to provide landscape maintenance services to the Master HOA in 2007 as a result of the bidding process recently concluded. He stated that Mr. Ela had been directed to prepare contracts between the District and the Master HOA for the provision of such services, and to prepare a form of amendment to existing District contracts that will allow changes in the square footage of areas being maintained throughout 2007. He explained that properties currently maintained by the District under the MOU between Master HOA and the District would no longer be the responsibility of the District except per the landscape maintenance contracts with the Master HOA. Therefore, the area of those properties would need to be included within the contract between the District and the Master HOA. Ms. Duffy was directed to provide copies of the current District contracts and all information associated with the Master HOA bid process to Mr. Ela's law firm, and Chairman Stone volunteered to provide the necessary maps to serve as exhibits to the contracts.

f. **Mercer Group Final Report/District Manager Candidate Interview Process**

Mr. Ela inquired of the Board whether Ms. Alexander of his office was expected to attend the May 24th special Board meeting for discussion of District Manager candidates and possible selection of a District Manager. The Board requested Ms. Alexander's attendance.

Mr. Tom Dority then made his presentation to the Board concerning his investigation and interview of the four semi-final candidates for the District Manager position. He provided materials concerning the professional background of each candidate, and other

information useful to the Board during the interview process. He suggested the Board choose from a list of interview questions to determine which Board members would ask which questions and select the order of questioning. The Board did determine the process to be scheduled for May 21st and 22nd. Mr. Dority informed the Board that the candidates for interview on May 21st will be Seve Ghose and Dennis Stark. He stated that the candidates for interview on May 22nd will be Bruce Eisenhower and Selby Myers.

- 8. Executive Session No executive session was held.
- 9. Other Matters No other matters were discussed.
- 10. Adjournment **Upon motion duly made and seconded the meeting was adjourned at 9:00 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 20th day of June, 2007.

Respectfully submitted,

/s/

Marlene A. Martin, Secretary