

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Wednesday, October 10, 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; Molly Ryan, HOA Master Association.

1. Call to Order

Chairman Stone called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:42 p.m.

2. Approve Agenda

Chairman Stone suggested the addition of item 4.c the District Manager's Report be pulled from the consent agenda for discussion of the field trips being proposed for the winter camp and discussion of the invoice provided from AG Wassenaar. Mr. Ela suggested adding item 6.e to the legal report, and an update on the November election. The Board approved the revisions to the agenda by consensus.

3. Comment Period

a. Developer Representative(s)

No one attended the meeting to represent the District developers.

b. Master Homeowners Association Representative

Molly Ryan, the new Master HOA management contractor presented a report to the Board on the Master HOA activities. She reported on the following matters:

- Mr. Robert Lego has been hired as an Assistant Association

Manager and will start on October 15th.

- The Master HOA office will occupy the District's house at 4000 Argonne. Tasks being undertaken are the creation of new logos and letterheads for the Master HOA, setting up the office and all necessary utilities, and establishing relationships with vendors, in particular banking relationships so that the Master HOA can have control of its finances. Prior to this transition, all finances of the Master HOA have been handled by the management group, Westwind Management Group, Inc.

Director George inquired about how many covenant violations typically occur within the Master HOA areas. Ms. Ryan replied that she was not sure of the actual number yet. Ms. Ryan believes there are currently approximately 300 to 1,000 covenant violations per year.

Director Perry inquired whether the new Assistant Association Manager will be working on a bi-lingual conversion of the covenant documents. Ms. Ryan replied that all documents will be translated into Spanish and made available.

Director George inquired how much of the Master HOA documents have been placed on the website. Ms. Ryan replied that she is working on getting all the Master HOA minutes scanned and displayed on the website; also the monthly financial information.

Chairman Stone informed the Board that the website www.gvrhoa.com will have a tax calculator available for residents to use so that they can evaluate the impact of the proposed mill levy increase. It should be available for individuals to use by October 11, 2007.

c. Public Comment

There was no public comment.

4. Consent Agenda

a. Items Pulled from Consent Agenda for Discussion

- i. Ms. Duffy informed the Board about the A.G. Wassenaar invoice for eight additional soil borings performed at the 4000 Argonne property. These additional borings are necessary for establishing soil conditions important to the foundation design for the Community Center.
- ii. The Board reviewed the list of proposed field trips for the

Community Program Winter Camp that have been prepared by LaVetta Murray. A total of six trips were proposed, but only four would be used during the winter camp. The Board expressed its approval of the variety and type of trips proposed.

iii. Director True inquired about the removal of conifers in the District that she had noticed were dead. Chairman Stone informed her that these conifers had died due to the fact that when the trees were installed Oakwood's landscape crews had failed to remove the twine and wire binding the root balls. He stated that the Landscape Committee is scheduling replacement of those trees.

b. Balance of Consent Agenda

Upon motion by Director Perry, seconded by Director True, the Board unanimously approved all remaining matters on the consent agenda.

5. Director Items

Director George inquired about the development of senior programs by the District. He stated that he would like to be involved with the planning of programs available to seniors. Chairman Stone suggested that he be included on the committee to participate in the planning of the senior programs.

Director Martin inquired about the Genoa walk-through located in Tract C of Filing 20. Chairman Stone informed her that the Landscape Committee will be installing sidewalk and landscaping on this tract due to the fact that there has never been landscape installed on the parcel. This parcel is located between the High Line Canal trail and 42nd Place and the connection will allow bicycle and pedestrian access to the High Line Canal.

Director Martin also informed the Board that Councilman Hancock had been very supportive of Ballot Issue 5A at the Town meeting held on October 9, 2007. She expressed her optimism that the ballot issue will pass.

Director True suggested that a draft version of a post card to be sent to voters be revised to indicate that the payment of taxes will be made as property tax payments not a direct payment to the District. She expressed concern that residents may be confused due to the fact that payments made to the Master HOA were made directly to that organization whereas with passage of Ballot Issue 5A, payments will be made as part of property tax payments either by direct payments to the County or by escrowed funds held by mortgage companies.

Chairman Stone described the budget document that had been prepared for the Board. He informed them that it contained lots of historical information and had been incorporated into the GIS system as well as budgetary information on the various programs the District supports. The Board generally discussed the historical budget numbers and expressed a desire to promote the Green Valley Ranch community to potential residents and businesses. The Board agreed that the information contained on District's GIS system could be used to good advantage to promote the community.

6. Legal Report

a. Roybal Architecture

Mr. Ela reported to the Board that design documents had been received from the Roybal firm, but only after the grievance against Mr. Roybal had been filed with the Licensure Board for Architects in Colorado. The documents and electronic files have been forwarded to Vastco and the Community Center Committee for review and an evaluation on whether the materials are useful and adequate. In addition to the documents provided, Roybal provided a last invoice totaling over \$8,000 for additional services. The invoice has been forwarded to the committee for evaluation and a determination of whether it is justified. Once the committee has determined the factors described above, Mr. Ela will continue to negotiate with the attorney for the Roybal firm concerning a settlement agreement that disposes of any further claims between the parties.

b. Oakwood Homes

Mr. Ela recommended discussing the status of negotiations with Oakwood Homes in executive session later in the meeting.

c. General Steel

Mr. Ela stated that correspondence between his firm and representatives of General Steel had been frustrating and without a clear expression of intent from General Steel. Director True again repeated her basic question concerning whether General Steel will provide all services necessary to get building approvals and permits from the City of Denver.

d. Certification of Delinquent Fees

Mr. Ela reported to the Board that per the Board's action at its September meeting, the delinquent system development fee amounts for Parcel 4 at Tower Commons had been certified for collection by the County Treasurer.

e. Election Update

Mr. Ela reported that his firm had been receiving calls from residents living in Ebert Metro District about the GVR Ballot Issue 5A. The phone calls prompted an investigation into the list of eligible voters and eligible electors provided by the County Treasurer's office. The investigation indicated that the list included many residents that did not own property within the GVR District or reside within the GVR District. Upon this discovery, the lists were reevaluated to eliminate numerous individuals who are not eligible to vote. These individuals will receive a TABOR Notice, but should not receive mail ballots.

The Board then discussed the logistics of the upcoming election, including the confusion caused by having a drop-box for mail ballots at the GVR Recreation Center as well as at the GVR Administration Building. The Board discussed creating signs that would indicate to voters that GVR ballots are to be dropped off only at the Administration Building. Mr. Ela's firm was asked to coordinate with the Denver Election Commission to insure that ballots erroneously deposited at the Recreation Center drop-box could be delivered to GVR and vice-versa. The Board discussed ways to make the two envelopes distinguishable, by the addition of color or other distinctive marking, and Mr. Ela said he would discuss the possibility of that with the designated election official, Micki Wadhams.

7. Discussion Items

a. Website Project

Mr. Haley had nothing further to add beyond the discussion that had been held earlier during the Master HOA report.

b. Community Center Project

The Board had no further matters to discuss under the Community Center that had not been discussed during the legal report concerning General Steel and Roybal Architecture.

c. Maintenance Building Project

Mr. Ela reported that in his recent conversation with Steve Kotris, Mr. Kotris mentioned that the design drawings for the District's Maintenance Building need to be updated in order to make them current with the latest Uniform Building Code that has been adopted by the City. After discussion, the Board directed Mr. Ela to find out when the latest Uniform Building Code was adopted by

the City and whether C4i should have known to adapt the drawings to the latest code when they were originally prepared or thereafter. Mr. Ela was requested to attend a meeting with Chairman Stone in the coming weeks to discuss how to move forward with the Maintenance Building project.

d. District Manager Selection Process

Chairman Stone reported to the Board that he had provided to each of them a summary of candidate qualifications prepared by Mr. Dority. Mr. Ela informed the Board that the identities and information about each candidate should be kept strictly confidential until such time as they have been reduced to a finalist pool of three or fewer members, at which time State law requires that the identities and discussions concerning those finalists be held in public sessions.

e. Presentation of Developer's 2008 Annual Work Plan and Budget

Ms. Duffy stated that she had not been contacted by Mr. Charlie Foster concerning a presentation to be made by the developer on a 2008 Annual Work Plan, and Mr. Ela stated that he had not been presented with any such plan either.

f. Presentation of Draft 2008 District Budget

Chairman Stone presented a proposed 2008 Budget to the Board. Rather than stepping the Board through every line item of the budget, he presented the general categories and funds that comprised the budget and identified the following specific aspects:

- A 3.7% cost of living increase had been built into the base salaries for every employee for 2008 with an allowance for up to an additional 3.7% as a performance cash award to be paid at an employee's anniversary date. He stated that the 3.7% cost of living value had been obtained from the Mountain States Employers Council recommendations.
- Mr. Ela recommended to the Board that annual updates be made to the Personnel Manual in accordance with the Board's existing policy, but he suggested that the annual update occur at the December meeting each year rather than the April meeting. The reasoning behind the change is to make changes that could have budget implications prior to the beginning of the District's fiscal year.

- Chairman Stone informed the Board that in keeping with the Board's recently adopted policy, there will be a cap on carryover leave by each employee of no more than two years of annual accumulation to be carried over. The budget projections include an allowance for up to that amount for each employee.
- Additional specific budget items that will be dictated by the outcome of the election in November have not been included but will be added if the outcome of the election is positive. Other items include variations in the amount of capital projects the District will perform in the coming year.
- Chairman Stone directed the Board's attention to the fact that the mill levy will remain the same for 2008 – no change from the levels established in the 2007 budget.
- The Board then discussed aspects of the budget, the budget hearing process, and the various possible adjustments that will be made depending on the outcome of the vote on Ballot Issue 5A.

8. Executive Session

Chairman Stone entertained a motion to enter executive session as allowed by Sections 24-6-402(4)(b), and (e), C.R.S., to engage in conferences with the District's attorney for the purposes of receiving legal advice on specific legal questions concerning the District Manager candidate evaluation and interview process, and to determine positions relative to matters that may be subject to negotiations and develop strategy for negotiations and instructing negotiators concerning the ongoing negotiations for settlement with Oakwood Homes.

Director True made the motion, which was seconded by Director Perry, and the Board unanimously approved entering executive session at 8:20 p.m.

The Board exited executive session and reconvened the regular meeting at 9:36 p.m.

9. Other Matters

The Board discussed the procedural requirements to continue this public meeting to allow for additional executive sessions to interview District Manager candidates and to deliberate and narrow the candidate pool to a group of finalists over the coming couple of weeks. **Upon motion by Director Perry, seconded by Director True, the meeting was not adjourned but continued until October 29th, beginning at 6:30 p.m., and continuing thereafter as necessary for the purpose of conducting interviews with four members of the District Manager candidate pool and deliberating on qualifications in Executive Session. The motion was passed unanimously.**

10. Continuation of
Regular Meeting

The regular meeting of the GVR Board of Directors was reconvened at the GVR Metropolitan District office, 18650 East 45th Avenue, Denver, Colorado, on October 29, 2007 with all Board members present and acting. The meeting was called to order by Chairman Stone at 6:30 p.m. The Board discussed and approved the agenda by consensus.

Upon motion by Director Martin, seconded by Director Perry, the Board unanimously approved a motion to enter into executive session to discuss personnel matters as allowed by Section 24-6-402(4)(f), C.R.S., and to instruct negotiators as allowed by Section 24-6-402(4)(e), C.R.S., for the purpose of conducting interviews with four candidates from the District Manager candidate pool and deliberating on the selection of finalists over the course of two interviews held on October 29th, two more interviews held on October 30th, and deliberations, including discussion, compilation of interview results, selection of finalists and to advise negotiators for the purpose of making an offer(s) to the selected finalist(s) for the District Manager position, held on November 1, 2007.

The Board reconvened its regular meeting at 7:10 p.m. on November 1, 2007.

11. Adjournment

There being no further business, upon motion duly made and seconded, the meeting was adjourned at 7:12 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 14th day of November, 2007.

Respectfully submitted,

/s/

Marlene A. Martin, Secretary