

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Wednesday, March 19, 2008 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 (absent, unexcused)
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; Charlie Foster, Oakwood Homes; Gary Haley, Website Committee; Charles Spratt; Les Alexander; Chuck Britton; John Smith; Elaine Smith; Anthony Noble, Mary Schumer; Earleen Brown.

1. Call to Order Chairman Stone called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:43 p.m.

2. Preliminary Matters and Agenda **Motion was made by Director True, and seconded by Director Martin, to excuse Directory Perry's absence. The motion failed on a vote of two (2) in favor and two (2) opposed.**

Chairman Stone proposed amendments to the agenda as follows:

- 8e – Appointment of Residents to City Councilman Hancocks's Community Advisory Committee.
- 8f – Consideration of Board operating policies.

Mr. Paul Hebenstreit was introduced by Chairman Stone as the new Association Manager, the District position in charge of managing activities formerly performed by the Master HOA but now being performed by the District by contract.

3. Conflicts of Interest Disclosures No disclosures were made.

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

Mr. Charlie Foster stated that he had no comments on behalf of Oakwood Homes.

b. **Master Homeowners Association Representative**

Mr. Paul Hebenstreit addressed the meeting on the following matters:

- Under his direction, the staff is making new software operational for tracking covenant violations, penalties and other data being tracked on behalf of the Master HOA.
- The position of community observer will be filled this week and begin work soon thereafter. The community observer will patrol the neighborhood and note covenant violations.

Mr. Hebenstreit addressed questions from the audience concerning permitted paint schemes, non-conforming permanent structures, dead and dying vegetation in private home landscapes, and abandoned and foreclosed-upon houses. Chairman Stone and Mr. Hebenstreit described the budgeted program for reimbursing neighbors who incur costs in caring for neighboring properties that have been foreclosed upon. Chairman Stone mentioned that the budget for such reimbursements in 2008 is \$55,000.

c. **Public Comment**

Chuck Britton addressed the meeting with his belief that the upcoming May election will not be fair, and also stating his desire to have witnesses present at the opening of ballots. He stated his opposition to the Community Center project.

Mr. Charles Spratt addressed the meeting concerning the contract price for construction of the Community Center and voiced his opinion that the Metropolitan District should be eliminated, after the current bond debt is paid off.

Ms. Earleen Brown questioned the Board about how the upcoming May election will be conducted. Mr. Ela and members of the Board explained the process of the conduct of a mail ballot election and the measures to prevent ballot tampering, protect voter anonymity, and ensure counting accuracy.

Ms. Elaine Smith voiced her objection to discussion of her participation in Master HOA Board actions that have resulted in the pending lawsuit between the Master HOA and Westwind Management Group.

5. Consent Agenda Director Martin moved, and Director True seconded, a motion to approve the consent agenda. Director George asked for discussion of the costs of performing the functions of the Master HOA through District financial accounts. Chairman Stone and Ms. Duffy explained the governmental fund accounting used by the District, and the separate funds under which expenditures for various budget items are accounted. Ms. Duffy stated that a separate fund account is maintained for Master HOA expenditures paid by District funds as was authorized by passage of Ballot Issue 5A in November of 2007. **The Board then approved the motion unanimously.**
6. Director Items Chairman Stone asked Mr. Spratt to explain Mr. Spratt’s use of the terms “COVPOT” and “Dr. Frankenstein.” Mr. Spratt replied that his term “COVPOT” was intended to describe despotic enforcement of covenants. He explained that his use of the term “Dr. Frankenstein” was intended to apply to someone who does not answer his e-mails.
7. Legal Report Mr. Ela provided a report to the Board on the following:
- a. **General Steel**

The meeting was held between Mr. Andy Fisher, District’s litigation counsel, and Chairman Stone, Director True, and Mr. Ela to discuss the facts in the case.
 - b. **Video Surveillance System**

Mr. Ela’s office has provided Mr. Andy Fisher all documents and information concerning the ongoing dispute with HSM Security concerning warranty and maintenance on the video surveillance system.
 - c. **IGA with DPS**

Mr. Ela reported that he had provided a new draft of the proposed IGA with Denver Public Schools concerning joint use of the Marrama Elementary and Community Center parking lots and is awaiting response from Denver Public Schools.
 - d. **Oakwood Homes**

Mr. Ela reported that District staff and representatives of Oakwood Homes continue to meet to finalize an agreement on past payments

that qualify for reimbursement under the proposed Settlement Agreement. Mr. Ela also stated that he has reviewed and revised the draft Settlement Agreement provided by counsel for Oakwood Homes, and will be providing that revised draft back to Oakwood Homes in the coming weeks.

8. Discussion Items **a. Website Project**

Mr. Gary Haley reported that the Community Center website is nearly complete and should be online and accessible by the public within the coming weeks.

b. Community Center Project

Director True presented the architect elevations, site plan and floor plan for the Community Center. She described the functions of the building and various rooms in the floor plan. She also provided a schedule for upcoming activities including the following:

- Salvage sale of items within the existing house at 4000 Argonne in early April.
- Demolition of the existing house on April 17, 2008.
- Groundbreaking ceremony on May 1, 2008.
- Beginning of construction in August of 2008.
- Opening of the Community Center on May 1, 2009.

Director True addressed questions from the audience concerning operating costs and various uses of the Community Center. A video of the architect's concept drawings was shown to all present. Following the video presentation, the Board and audience discussed the operation of the "cop shop" and youth facilities, as well as the operating costs and revenue projections being revised by the Community Center committee, and a desire of the committee and members of the audience to incorporate environmentally friendly ("green") concepts into the building.

c. Maintenance Building Project

Chairman Stone reported that Ms. Janelle Flaig, of the City of Denver Planning Department, inquired about the progress toward approval of the site plan for the maintenance building. Chairman Stone stated that the new Maintenance Manager, recently hired, will be in charge of moving that project toward City approval and construction. He stated that no construction has been set, but the goal is to hire the firm

of Pirnak & Walters to construct the maintenance building concurrently with the Community Center so that economic benefits from reducing crew start-up and scheduling costs are achieved.

d. **Recruitment Process for District Manager Position**

Chairman Stone suggested that the pool of four candidates be interviewed by the Board at evening sessions on April 2nd and 3rd, followed by another meeting of the Board on April 7th to discuss the candidates, choose a finalist pool, and determine the terms of an offer to the preferred candidate within the finalist pool. The Board, by consensus, agreed to that schedule.

e. **Councilman's Hancock Community Advisory Board**

Chairman Stone addressed the meeting concerning Mr. Hancock's request for appointment of community residents to the Community Advisory Board to participate in quarterly meetings. He stated that the goal of the Advisory Board is to understand and plan for the eventual greater Green Valley Ranch community that will include additional residential and commercial development extending to the east of the current GVR Metropolitan District and Ebert Districts. The appointment of 29 residents that can attend quarterly meetings has been requested. Chairman Stone stated that of the 29 Board members, ten will be appointed by the GVR Metropolitan District, ten will be appointed by the Town Center Metropolitan District, and nine will be appointed from other community volunteers. The four officers of the Executive Board have been elected by the incorporation committee as follows: Kim Sheehan, President; Technician Brown of the Denver Police Department, Vice-President; Elaine Smith, Secretary; and Jerry Jacobs, Treasurer. The audience and the Board discussed the expected activities of the Advisory Board, and the following individuals were determined as interested in serving on the Board and will be recommended by the GVR District Board to the Advisory Board: Mr. T.J. Stone, Mr. Les Alexander, Ms. Marlene Martin, Mr. Art Connolly, Mr. Gary Haley, Mr. Paul Gilberto, Ms. Earleen Brown, Mr. Anthony Noble, Ms. Micaela Duffy and Mr. Charles Britton. **Upon motion by Director True, seconded by Director George, the Board unanimously approved recommendation and appointment of the aforementioned individuals to the Community Advisory Board.**

f. **Board Operating Policies**

Chairman Stone provided to the Board drafts of Operating Policy No. 1, establishing that the Board's intention and authority to establish ongoing operating policies for guidance of District staff in accordance with fulfillment of the duties and responsibilities of the Metropolitan

District and to accomplish goals set by the Board of Directors, in its Strategic Plan. **Upon motion by Director Martin, seconded by Director True, the Board unanimously adopted Policy No. 1.**

The Board then reviewed and discussed Operating Policy No. 2, concerning a dress code for District staff. **Upon motion by Director George, seconded by Director True, the Board unanimously adopted Policy No. 2**

9. Executive Session No executive session was held.

10. Other Matters a. **Community Center Cost Projections**

Chairman Stone provided to the Board copies of revised operating costs and revenue projections for the Community Center in its first two years of operation. Chairman Stone explained the basis of the projections, and guided the Board through the detailed assumptions concerning use of various rooms in the Community Center and the rental fees expected for each use. **Upon motion by Director True, seconded by Director Martin, the Board unanimously approved release of the revised cost in revenue projections to the public.**

b. **Continuation of Public Meeting**

Chairman Stone suggested that the Board continue this meeting to April 2nd, 3rd and 7th for the purposes of conducting interviews of District Manager candidates and determining the terms of an offer to the preferred candidate. Director George stated his preference for providing notice of a special meeting in April for that purpose, on the basis that it will occur in a month following the current month. Mr. Ela explained the statutory requirements for continuing properly noticed meetings or calling special meetings. After discussion, the Board by consensus agreed to call a special meeting on April 2nd at 6:00 p.m., with a notice properly prepared and filed indicating that such special meeting will be continued thereafter until April 3rd at 6:00 p.m., for the purpose of completing interviews, and to be further continued until April 7th for deliberation on candidate qualifications, establishment of a pool of candidate finalists and determination of the terms of an offer to the preferred candidate.

11. Adjournment **Upon motion duly made and seconded the meeting was adjourned at 9:10 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 the 19th day of March, 2008.

Respectfully submitted,

/s/ Marlene A. Martin

Marlene A. Martin, Secretary