

## RECORD OF PROCEEDINGS

### MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF

### GVR METROPOLITAN DISTRICT

Held: Wednesday, August 20, 2008 at 6:30 p.m., at the GVR Metropolitan District Office, 18650 East 45<sup>th</sup> 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:

Earleen Brown, President  
Michael George, Vice President  
Anthony Noble, Treasurer  
Mary Schumer, Secretary  
Elana Perry, Director (arrived at 6:40 p.m.)  
Joanne True, Director  
Charles Britton, Director (excused for cause)

Also present were: Andrew Pimental, District Manager; Evan D. Ela, Collins Cockrel & Cole, a professional corporation; T.J. Stone, Master HOA President; Gary Haley, Website Committee; Paul Gilberto, Graffiti Committee; Charles Spratt; Walt Cross; Norma Cohn; Eric Gravenson; Les Alexander; Don Greer; David Pracht; Beverly Cribari; Elaine Smith; John Smith; Michael Walker; and Olivia Chambers.

1. Call to Order Chairman Brown called the meeting of the Board of Directors of the GVR Metropolitan District to order at 6:32 p.m.

2. Approve Agenda Upon motion by Director George, seconded by Director Schumer, the Agenda was approved without revision.

3. Approve  
Minutes from  
Prior Meetings

#### **July 16, 2008 Regular Board Meeting**

Mr. Ela provided a revised version of the minutes and requested input from the Board concerning motions passed during the meeting. The Board discussed the vote of the Board members on such motions. **Upon motion by Director Schumer, seconded by Director Noble, the Board unanimously approved the minutes as revised during the discussion.**

## **July 24, 2008 Special Board Meeting**

The Board reviewed the minutes and **upon motion by Director George, seconded by Director Schumer, the Board unanimously approved the minutes without revision.**

4. Conflicts of Interest Disclosures      No conflicts of interest disclosures were made by members of the Board. Upon questions from the audience, Director Noble stated that he had no conflict of interest based upon his submittal of a questionnaire provided by legal counsel.

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

No representative was present.

**b. Master Homeowners Association**

Mr. Stone informed the Board that approximately 125 people attended the annual GVR Days celebration despite wet and cold weather. He mentioned that the leftover food was donated to charitable groups. The door prizes will be used at future HOA Board meetings and the Holiday Light Tour. The left over school supplies will be handed out at the Holiday Light Tour.

**c. Public**

- Mr. Eric Gravenson encouraged the Board to expand its responsibilities to limit any redundancy with duties of the Master HOA.
- Mr. Don Greer encouraged the Board to go forward with completing the Community Center, address conflicts of interest, if any, that exist on the Board, and to work together to move the community forward.
- Mr. T.J. Stone commented on a recent public meeting concerning the proposed new high school, and encouraged the Board to act in the best interests of the community, including supporting an upcoming bond issue for the school.
- Mr. Gary Haley commented that signs posted by the Master HOA promoting a "yes" response to the Community Center survey had been mysteriously removed.
- Ms. Elaine Smith stated she knew nothing about the Master HOA's promotional signs.
- Mr. Walt Cross expressed his commendation to Director True for pursuing the establishment of a "Cop Shop" within the District.
- Beverly Cribari stated that she had not been well treated at the most recent District Board meeting, but she encouraged the Board to finish construction of the Community Center as a necessary community

amenity.

- Michael Walker expressed concern about the unmaintained condition of the vacant field near East Park and the retention pond near his house at 4402 Iran Street. Mr. Pimental stated that the City of Denver is responsible for the upkeep at East Park, but the District staff would inspect and get the retention pond scheduled for routine maintenance.
- Officer Anita Gomez, Denver Police Department Community Resource Officer, stated that Officer PC would be in training for three months and not available in the Community during that time. She urged anyone needing police support to contact the District 5 Office.
- Ms. Olivia Chambers encouraged the Board to work for less divisiveness in the Community, reduce email attacks and seek to build harmony in the Community.

## 6. Legal Report

### a. **IGA with DPS**

Mr. Ela reported that he believed the IGA with Denver Public Schools was being considered by the Denver Public Schools Board at its August meeting.

### b. **Governmental accounting formats**

Mr. Ela reported that, in response to Board request, his firm had no legally binding mandate requiring accounting for District finances under Governmental Accounting Standards Board ("GASB") standards, but added that he understood that most accounting firms who would perform audits for governmental entities would always employ the GASB format because it is considered an industry standard.

### c. **SDF for Public Storage/Car Wash Facility**

Mr. Ela referred the Board to his memorandum concerning the options available to the Board for assessing a system development charge against the public storage/car wash facility being constructed at Tower and 40<sup>th</sup> Avenue. He informed the Board that of the range of fees that could be charged, based on the amount of water expected to be used by the facility and explained the staff's calculation of those water usage factors according to District policy. The Board directed Mr. Ela to send the letter to the developers of the facility requesting a system development charge of \$173,400, and to also offer the opportunity for the developer to enter into an agreement with the District allowing a rebate on the amount of the charge if the developer can demonstrate proof of a lower actual water usage over a 3-year period than was assumed by the staff's projection of water use.

**d. General Steel matter**

Mr. Ela reported that the General Steel matter had been concluded by reaching a settlement and refund of approximately \$124,000 to the District related to its downpayment for steel for the Community Center project.

7. Director Items

- Director George inquired about the Seller's Settlement Statement prepared at the time the District purchased the property at 4000 Argonne. Mr. Ela informed Mr. George he had provided it to Mr. Pimental, and that it had been provided to all Board member boxes.
- Director George inquired about the schedule for the Community Programs Committee meetings to occur in September and October.
- Director George inquired whether it was necessary to continue paying for a wireless card for the District's laptop computer.
- Director Schumer asked the Board and public for input concerning improvement of communications within the Community. The Board entered into a long discussion concerning the benefits of multiple communication efforts including a mailed newsletter serving both the District and the Master HOA, a sharing of the costs for publishing and mailing such a newsletter, and the need to limit editing of submitted letters. It was estimated that it would cost \$2,400 per issue to expand to the next size of newsletter, an increase of 4 pages. Other options for lowering the cost and improving the efficiency of the newsletter were discussed. The Board recommended that Mary Schumer and Earleen Brown be added to the HOA's Newsletter Committee to better coordinate the use of the newsletter by both entities.

The Board discussed a letter submitted by Director Britton stating his absence from the Board meeting and stating his availability by telephone, if necessary, for the Board meeting. **Upon motion by Director Schumer, seconded by Director Noble, the Board excused Director Britton for cause by a vote of 4 in favor, with Directors Perry and True opposed.**

8. Board Reports  
Agenda

**a. Financials**

Director Noble provided a summary of the financials for the Board, stating that there were currently \$21,284,000 in assets with approximately \$8.5 Million in checking and savings accounts. He informed the Board of liabilities totaling \$12.9 Million; and a net income in 2008 of approximately \$904,000. He suggested that the detail concerning the expenses incurred by the Master HOA and the District be reported in a manner to clearly show the expenses incurred by each, and he was investigating the best way to do so. **Upon motion by Director Schumer, seconded by Director George, the**

**Board unanimously approved the financial report.**

**b. District Manager Report**

Mr. Pimental directed the Board's attention to the Manager's Report provided in their packets. Director Schumer inquired about the status of the Medians Project related to the District's agreement with the City of Denver. The Board entered into a long discussion with Manager Pimental concerning the need for a community wide plan to develop consistent designs that can be used for medians throughout the District. Director George requested that Manager Pimental provide pictures of the current condition of all medians in the District, as well as medians in the neighboring Ebert District, and to provide some landscaping options available to the Board. After further discussion, the Board directed Mr. Pimental to limit his landscape designs as follows: preserve all living trees, avoid the use of any artificial grass or solid concrete treatments, and to investigate treed and treeless landscaping options.

Director Schumer mentioned that the Lutheran Church property was looking better maintained, but needed a longer term beautification effort. She also mentioned that the park in front of East Ranch Park was slated for development by the City in the Fall of 2008.

Members of the public inquired about the progress being made by the District in filling the District positions for performing HOA functions, including the HOA Manager and HOA Observer positions. Manager Pimental stated that the positions had been advertised and the hiring process is progressing.

9. Discussion  
Items

**a. Website Project**

Mr. Gary Haley stated that he was approximately 75% done with the programming necessary on the District's new server, which will be used to host the District websites.

**b. Community Center Project**

Manager Pimental handed out a summary sheet which detailed the results of the Community Center survey. He reported that the number of respondents equaled a 15% response to the survey. The Board generally discussed the summary of comments received on the survey and the fact that the comments ranged from strongly in favor of the Community Center to strongly opposed. The Board discussed at length the pros and cons of completing the Community Center now versus delaying it to a later time, or not building it at any time. Director Noble informed the meeting that approximately \$1.6 Million had been invested in the project so far, some of which could be recoverable by the sale of the land. He also stated that the

Community Center design will be available for use in the future. Other aspects of the survey were discussed and deliberated by the Board including the following: 1) the survey results are not binding on the Board's actions, 2) political campaigning did occur during the survey response period, 3) a key factor is whether the project will be delayed or terminated, and 4) a discussion of the accuracy of the facts presented in the survey materials.

**A motion was made by Director Noble, seconded by Director Schumer, to suspend the ongoing expenditure of District financial and human resources for the Community Center Project pending the development of a complete community financial plan within 24 months to address financial impacts of the Community Center, bond repayment, physical aesthetics and ongoing development. The motion passed by a vote of 4 in favor, with Director True opposed and Director Perry abstaining.**

The Board continued its discussion of its decision to suspend work on the Project, and an acknowledgement to the time and effort expended by members of the Community toward developing the Community Center Project to its current state of completion.

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| 10. Executive Session | No Executive Session was held.  |
| 11. Other Matters     | There were no other matters discussed.  |
| 12. Adjournment       | <b>Upon motion duly made and seconded the meeting was adjourned at 10:00 p.m.</b> |

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 10<sup>th</sup> day of September, 2008.

Respectfully submitted,

/s/ Mary Schumer

Mary Schumer, Secretary