

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF

GVR METROPOLITAN DISTRICT

Held: Friday, January 2, 2009 at 6:30 p.m., at the GVR Metropolitan District Office, 18650 East 45th Avenue, Denver, Colorado.

| | |
|--------------------------------------|--|
| Attendance | <p>A special meeting of the Board of Directors of GVR Metropolitan District, Denver, Colorado, was called to order at 6:31 p.m. and held as shown above and in accordance with the applicable statutes of the State of Colorado with the following directors present and acting:</p> <p>Earleen Brown, President Michael George, Vice President Anthony Noble, Treasurer Mary Schumer, Secretary Elana Perry, Director Joanne True, Director (absent, excused for cause) Charles Britton, Director (absent, not excused)</p> |
| Also present were: | <p>Andrew Pimental, District Manager, Evan D. Ela, legal counsel, and James Tanner.</p> |
| Call to Order and Establish a Quorum | <p>Chairman Brown noted that a quorum of five directors was present. Chairman Brown entertained motions to excuse the Directors not in attendance. Upon motion by Director George, seconded by Director Schumer, the Board voted unanimously to excuse the absence of Director True. Upon motion by Director Schumer, seconded by Director Perry, the Board voted four in favor and one opposed not to excuse Director Britton.</p> |
| Conflicts of Interest Disclosures | <p>None expressed.</p> |
| Approve Agenda | <p>The Board reviewed the published Agenda and by consensus, approved the Agenda without revision.</p> |
| Executive Session | <p>The Board discussed the need to enter Executive Session to confer with legal counsel for the District for the purpose of receiving legal advice on specific legal questions raised by the lawsuit filed by the Master HOA for Green Valley Ranch against the District as allowed by Section 24-6-402 (4)(b),</p> |

C.R.S., and for determining positions relative to such matter that may be subject to negotiations, developing strategy for negotiations and instructing negotiators in accordance with Section 24-6-402 (4)(e), C.R.S.

Upon motion by Director George, seconded by Director Schumer, the Board voted unanimously to enter Executive Session for the above-stated purposes. The Board entered Executive Session at 6:35 p.m. The Board reconvened its public meeting from Executive Session at 9:47 p.m.

Other Items
Before the
Board

In open session, the Board considered the following actions deemed necessary and requiring public Board approval in relation to the lawsuit filed by the Master HOA Board of Green Valley Ranch against the District.

a. Litigation Authority

The Board discussed its intent to contest and answer the claims made in the Complaint and Amended Complaint filed by the Master HOA in Case No. 08CV10651, District Court for Denver County, by filing Answer and counterclaim pleadings, and participating as required by the District Court's Order dated December 15, 2008. **Upon motion by Director Noble, seconded by Director Perry, the Board unanimously authorized Andy Fisher of the firm, Nathan Bremer Dumm & Myers, P.C., to proceed with filing an Answer and Counterclaim(s) to the Master HOA Complaint and proceeding with legal strategies discussed in confidence during executive session.**

b. Master HOA Confidentiality Agreement

Legal counsel explained the Master HOA request for a separate Confidentiality Agreement over and above the confidentiality clause contained within the Services Agreement in order for the District to obtain a copy of what the Master HOA deems its performance audit, which occurred in August of 2008. **Upon motion by Director Noble, seconded by Director Schumer, the Board voted four in favor of entering into the Confidentiality Agreement, with Director Perry opposed.**

Any Other
Matters

There were no other matters that came before the Board.

Adjournment

Upon motion duly made and seconded the meeting was adjourned at 9:58 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 21st day of January, 2009.

Respectfully submitted,

/s/ Mary Schumer

Mary Schumer, Secretary