

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, June 16, 2010 at 6:30 P.M. at the GVR Metropolitan District Office, 18650 East 45th Avenue, Denver, Colorado.

Attendance

The regular meeting of the Board of Directors of the GVR Metropolitan District was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. Except where indicated, the following Directors, having confirmed their continued qualification to serve on the Board by affidavit filed with the District, were in attendance:

Michael George, President
Michael Haskins, Vice President
Anthony Noble, Treasurer
Mary Schumer, Secretary
Earleen Brown*, Director
Fenna Tanner, Director
Charles Britton*, Director (affidavit not on file)

[*Arrived/departed when indicated.]

Absent: None.

Also present were Andrew Pimental, District Manager, and Micaela Duffy, Accountant, GVR Metropolitan District; Barbara T. Vander Wall, Seter & Vander Wall, P.C., legal counsel; Roger Rohrer, GVR HOA; Elaine Smith, Eric Gravenson, Jim Tanner, Mariann Toomey, Paul Gilberto, Derek Savage, and Joanne True, District residents; Anita Gomez, Denver Police Department, and Charlie Foster, Town Center Metro District.

Call to Order / Quorum

Chairman Michael George noted that a quorum of the Board existed with six directors present. Thereafter, Director George

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called the regular meeting of the Board of Directors of the GVR Metropolitan District to order.

Approval of Agenda

The Board reviewed and approved the agenda, and by a unanimous vote, agreed to revise the agenda to change “April” to “May” for the financials discussion in item no. 8.

Conflict of Interest/ Disclosure Matters

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might be required prior to taking official action at the meeting. Legal counsel advised that written disclosures of the conflicts of interest for each Director (with the exception of Director Britton) had been filed with the Secretary of State prior to the meeting. It was noted that Director Britton has been requested to complete the director affidavit and disclosure forms for filing, and that he has elected not to complete the forms.

No additional conflict disclosures were announced.

Approval of Minutes

The minutes of the regular meeting of the Board of Directors held May 19, 2010 were read. Director Schumer requested a correction to the spelling of “Marrama” Elementary School. Upon motion duly made and seconded, the Board approved the minutes as modified by unanimous vote, with Director Brown abstaining.

[*Director Britton arrived at this time.]

Public Comment Period: - Public Comment

Mr. Eric Gravenson spoke on the District’s participation with the HOA on covenant enforcement activities and the amount of time and funds spent by various attorneys in these efforts, and inquired into the proposed service plan amendment and its necessity. The Board members discussed the proposed expansion of the District’s service plan powers and authorization to include both covenant enforcement and mosquito control operations; the process is being addressed in phases including the contract with the HOA and the service plan amendment process with Denver.

Ms. True and Mr. Tanner spoke regarding their concerns related to the District’s mosquito control operations. Ms. True indicated a strong desire to have the District spend funds on mosquito control, particularly where the retention pond is located. Mr. Tanner expressed a concern that Denver may not perform its

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standard mosquito control operations should the District have the expanded mosquito control powers.

- Master HOA for GVR

Mr. Roger Rohrer reported that two new board members have been elected to the HOA Board. He also noted that the HOA has funds to continue in 2011 should the covenant enforcement contract be deferred in connection with the service plan amendment process.

- CAB

Ms. Smith reported that the CAB is sponsoring a Business Expo on Saturday, June 19th at the GVR Recreation Center.

- Other

Denver Police Technician Anita Gomez introduced herself, and indicated that the District Five Community Resource Officer has been changed from Technician Chanthavong to herself for the time being. All inquiries regarding neighborhood issues, public nuisances, neighborhood watch and similar questions or concerns should addressed to Ms. Gomez as the new Denver Police Department District 5 Community Resource Officer, at the contact information provided. When a new permanent CRO is hired, Technician Gomez will bring her replacement to a meeting and introduce that person to the community.

Attorney's Report

Ms. Vander Wall directed the Board members to her written legal report and supplemental report which identify outstanding items for the Board member update. She proceeded to point out specific items indicated for further Board discussion.

- Service Plan Amendment /
Letter of Intent

The Board continued its discussion regarding the service plan amendment and process. Ms. Vander Wall indicated that the City and County of Denver appears to be very cooperative in its approach to processing the District's proposed service plan amendment. Denver has indicated that it may not be able to formally commence the process until the end of the summer, 2010, but that it believes the process can be completed in tandem with the District's 2011 budget discussions, for final approvals by year end. Mr. Noble noted some concerns he has with a statement made in the District's letter of intent submitted to Denver regarding the amendment. He is concerned that Denver may interpret the language such that it does not have to spend any City funds in the Green Valley Ranch area for mosquito control. Ms. Vander Wall agreed to follow up with Denver to confirm that this is not the District's intentions; rather, the District desires to have

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powers should it desire to spend additional funds to control mosquitoes above and beyond what the City would normally allocate.

- Discussion re District Manager Job Description Ms. Vander Wall referred the Board to the draft job description for District Manager, provided in the meeting materials following the discussions from the May Board meeting. The Board deferred discussion of this item to later on in the agenda.

Board Reports:

- May Financials

Director Anthony Noble presented to the Board the financial report for the District for the period ending May 31, 2010. He noted the breakdown of the District's interest income and interest expense. The District's debt service payment has been made. Upon motion duly made and seconded, the Board accepted the May financials by a vote of six in favor to one opposed (Director Britton). The Board next reviewed the updated payment of claims, and upon motion duly made, and a second, the Board approved the payment of the claims as presented, by a vote of six to one opposed (Director Britton).

- District Bank Accounts

The Board reviewed the memorandum prepared by accountant Micaela Duffy, and the recommendations made concerning the proposed closure and consolidation of bank accounts. Following discussion, and upon motion made by Director Noble, seconded by Director Schumer, and unanimously carried, the Board agreed to proceed with the recommendations made by Ms. Duffy.

- District Manager Report

Mr. Pimental distributed final copies of the District's 2009 audit report, following the audit performed by Haynie & Co. He expressed great appreciation to Ms. Duffy for all of her work performed in preparation for the District's audit. The Board thanked Ms. Duffy for her efforts.

Mr. Pimental then directed the Board members to the Manager's Report provided in the Board packets and additional materials distributed for Board review.

Mr. Pimental reported that summer camp is in its third week of operations; enrollment is at 89 participants, the highest number since the program was instituted.

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Mr. Pimental referred the Directors to the phone log for the District's hotline, which provides details on phone calls received concerning District matters. He noted that several items are referred on to the HOA or others for appropriate resolution.

- Planning Committee Report Director Noble reported that Mr. Charlie Foster attended and made a presentation at the recent Planning Committee meeting on District management issues. An outline and summary of the discussion was provided to the Board members.

2009 Budget Amendment /
Public Hearing Mr. Noble introduced the District's 2009 budget amendment, noting that the purpose of the amendment is to provide for the \$96,000 reporting error which had been reflected as the net amount or one combined total and these amounts should have been reported individually by the gross amount of each line item.

Chairman Michael George opened the public hearing on the District's amended 2009 budget. With no public comment, Director George closed the hearing.

Following further discussion, and upon motion made by Director Schumer, seconded by Director Noble, and unanimously carried, the Board approved the 2009 budget amendment and budget resolution as presented.

Discussion Items / Unfinished
Business:

- Board Member Orientation Mr. Pimental provided the Board members with information regarding a Board member training seminar being held by CTSI and Mr. Evan Goulding, scheduled for August 18, 2010. The cost is \$20 per attendee. He also recommended attendance at the upcoming Special District Association annual conference held in Keystone, Colorado in September. He and Ms. Duffy have independently met with new Board member Fenna Tanner to go over various District financial materials and to answer specific questions.

Director Brown indicated that she would like to see a Board member training session which is specific to the GVR Metropolitan District, which includes briefings on the District's Service Plan, statutes, a history of the District, the District's strategic plan, the financial report, the District's banking

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institutions, maps, etc. Mr. Pimental indicated that he could cover the history of the District, as well as other topics mentioned; Director Noble agreed to take on the subject of the District's financial report and related information. Ms. Vander Wall agreed to discuss the District's Service Plan, and the statutes applicable to the District.

The Board agreed that this would be beneficial to the incoming and returning Directors, to take place every two years. There was discussion about the appropriate timing for a "workshop"; Mr. Pimental agreed to try to schedule a special session in early August.

- Draft HOA/District Services Agreement

Mr. Pimental advised that a draft of the Agreement has been completed by the committee and circulated for Board comment. No comments were made. The Board agreed to turn the draft over to Ms. Vander Wall for review and comments for the next meeting.

- Property at 48th and Jebel

Mr. Pimental referred the Board to the written summary of his discussions with the broker in connection with the possible acquisition of the property located at 48th and Jebel, per Board direction provided at the May meeting. The broker has been unwilling to provide the District with any additional written information, and suggests the District submit an offer.

The Board discussed at length several issues surrounding the acquisition of the land, including the purpose of the property, the costs associated with operation of the property used for recreational purposes, and the benefits to the community.

[*Director Brown departed during this discussion, at approximately 8:35 p.m.]

The Board determined to solicit input from the District's residents on the expenditure of District funds for the property for park and recreational purposes to determine if there is sufficient support for the acquisition. The Board also determined that it would be beneficial to engage a consultant to assist in administering the survey and collecting and tabulating the results. The intent is to hire a professional in order to maximize the community participation for useful results. The Board expressed a desire to have the survey be complete by

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mid-August or September. It was discussed that the Planning Committee would work on a proposed questionnaire for use in the survey; Mr. Pimental agreed to research potential consultants and costs for Board consideration at the July meeting.

- Resolution re District Committee Policy

Mr. Pimental distributed the proposed Committee policy that he drafted, with revisions from legal counsel, together with the proposed resolution for adoption of the policy. The Board reviewed the policy and discussed the contents, noting a preference to modify the review period for identification of the committees and their members from May to January. Following motion, second and unanimous vote, the Board approved the resolution, including the policy attached as Exhibit A, subject to the modification discussed. It was noted that this policy would supersede the policy previously adopted.

Discussion Items / New Business:

- District Manager Job Description

Ms. Vander Wall referred the Board members to the draft job description contained in the meeting materials for the District Manager. As a follow up from the previous meeting, the Board members and Mr. Pimental were requested to review the description and provide any suggested modifications. Ms. Vander Wall indicated that she has made some “clean up” type changes and created outline headings for the job tasks and functions. The substantive changes made include the elimination of the Board President as supervisor, and delegation of staffing supervision to the Manager. Other changes were made to remove redundancies and make clarifications.

Ms. Vander Wall reminded the Board that once the job description is approved, the responsibilities would then be incorporated into a draft agreement for management services. The agreement would provide for the terms of the employment of the District Manager, job responsibilities, compensation, benefits, and evaluation process while maintaining the “at will” nature of the employment relationship.

The Board had no immediate comments on the job description; it was determined to allow for additional time to review for consideration at the next Board meeting, together with the proposed form of agreement.

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- District Safety Manual and Policy and Procedure Manual

Mr. Pimental referred the Board members to the draft Safety Manual for the District, which had been distributed by e-mail earlier. The Safety Manual will be used to train District employees. He invited Board members to provide any comments to the draft.

Mr. Pimental advised that a draft Policy and Procedure Manual is near completion and will be forthcoming for Board member review and preliminary comments. The Policy and Procedure Manual will be used to provide policies for governance by the Board, as well as District operating procedures.

Executive Session

There were no items for executive session at this time.

Other Business

Director Michael Haskins suggested that the District look at hiring a consultant to use for setting up the District's Strategic Plan and provide direction for the District to allow for more cohesive decision-making by the Board. He indicated that he was aware of a consultant, Gemsbok Consulting, which has previously presented at an SDA Conference, who may be a good option for the District.

The Board generally discussed ideas for identifying areas of improvement for the District and the community. Director Schumer added that she liked the idea of "defining the community" in some form, such as whether the community would like to be acknowledged as an area known for its park and recreation amenities, its senior programs, or other specific targeted facets. She also indicated the benefits of reaching out to its neighboring districts to see what cooperative regional efforts might be desirable.

[*Director Britton departed during this discussion.]

Director Noble stated that the Board does not have the "bench strength" to accomplish this type of undertaking, but the District may want to hire an outside consultant to assist in making these determinations about what the District wants to be.

Ms. Vander Wall noted that the District is unique in that it has established itself over the last 25+ years, and has nearly fulfilled its original purposes as laid out in the District's 1984 Service

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Plan by the Developer. In the exploration of the District's identity and defining the community, the District is bound by its Service Plan, which spells out the District's infrastructure, landscaping and recreational programs and facilities, as has been approved by the City.

The Board agreed to continue the discussion, and that there were no action items at this time.

There was no other business for discussion at this time.

Adjournment

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at approximately 10:12 p.m.

Secretary for the Meeting

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