

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, November 17, 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
Fenna Tanner, Director
Earleen Brown, Director
Chuck Britton, Director (affidavit not on file)

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; Joann True, Eric Gravenson, Elaine Smith, Walt Cross, Roger Rohrer and James Tanner, Vernon and Karen Maelzer, Arnold Subioro, District residents; Denver Police Dept. Officers Day Lapira and Anita Gomez; and Charlie Foster, Town Center Metro District.

Call to Order / Quorum

Chairman Michael George noted that a quorum of the Board existed with all directors present. Thereafter, Director George called the regular meeting of the Board of Directors of the GVR Metropolitan District to order.

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Approval of Agenda

The Board reviewed the agenda, and by a vote of six in favor and one opposed (Director Britton), agreed to revise the agenda to add a new item to 6.b. regarding a resolution of appreciation to the Denver Police Department, and making a date correction to item no. 11b to reflect a proposed 2010 budget amendment.

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.

No additional conflict disclosures were announced.

Approval of Minutes

The minutes of the regular meeting of the Board of Directors held October 20, 2010, were read. Upon motion duly made and seconded, the Board approved the minutes with a correction in numbers made on page 5 under the 2011 landscape maintenance contracts discussion, by a vote of six in favor and one opposed (Director Britton).

Public Comment Period:

- Public

Ms. Joann True inquired about the District sponsored volunteer recognition dinner. The dinner is being provided as a way of expressing appreciation for the individuals who provide volunteer services on behalf of the District to the community. Director Britton also questioned the volunteer recognition dinner, and noted that he is not a volunteer.

- Master HOA for GVR

Mr. Roger Rohrer commented that the draft agreement between the District and the HOA regarding covenant enforcement services is in a good state, and he is working with the District Manager and the HOA's attorney to make final tweaks to the document. He also noted that the HOA 2011 budget will soon be posted on the HOA website.

- CAB

Ms. Elaine Smith reported that the CAB is monitoring with interest the DPS hearings and discussions on the recommendations regarding turnaround schools.

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- Denver Police Dept. Denver Police Technician Day Lapira stated that there is no change in the statistics from the police activity report for District Five provided last month, and that things continue to go well. Officer Lapira thanked the citizens again for assisting in the police department's efforts by maintaining vigilance, looking out for suspicious activity, keeping doors and windows locked, and reporting any incidents when they occur.
- Other Ms. Elaine Smith indicated that she has received a list from the League of Women Voters of individuals within the District who are 50+ years of age, derived from voting records. She hopes to use these records to assist in creating programs for older persons.
- Resolution of Appreciation: Chairman George presented a resolution regarding the District's expression of appreciation for the Denver Police Department District Five, including its Community Resource Officers, for the significant contributions made in the performance of their duties in the area, resulting in a decrease in crime and greater feeling of safety and well-being within the District. Upon motion, second and vote of six in favor, one opposed (Director Britton), the Board approved the resolution of appreciation and recognition as presented. Officers Lapira and Gomez accepted the resolution and thanked the Board of Directors for the recognition.
- Attorney's Report Ms. Vander Wall directed the Board members to her written legal report, which identifies outstanding items for Board update. She advised that on November 15, 2010 the Denver City Council heard and approved the District's service plan amendment regarding the addition of mosquito control and covenant enforcement services.
- Director Items Director Britton reported on foreclosure signs he has seen in the neighborhood and generally discussed changes in Board policies.
- There were no other Director items presented.
- Board Reports:
- October Financials Director Anthony Noble presented to the Board the financial report for the District for the period ending October 31, 2010. Following discussion, and upon motion duly made and seconded, with one vote in opposition (Director Britton), the Board accepted the October financials and approved the

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payment of claims as presented.

- District Manager Report

Mr. Pimental reported from the highlights of his written Board report. He advised that the District's application with the "Park People" for free trees has been approved. He is now working on recruiting volunteers to assist with identification of the tree placement and to assist with their installation. He noted that these trees will not be the same caliper as those that the District typically installs.

He advised that he will be volunteering at the "Wobble Gobble 5K race" being held in the community this Saturday.

The state trails grant application has been turned in; the results will be announced in the Spring, 2011.

Last month, the District sent two letters to Denver Water regarding the request to delay termination of the tap at Flanders, and to request the community garden tap be changed to irrigation tap. Denver Water has approved the second request, which should result in significant savings per year. He has not yet heard from Denver Water on the Flanders tap request.

Mr. Pimental announced that Oakwood will be contributing 33 6-8' tall spruce trees to the District, which will be installed along Tower Road in Filing 58. The District will take over maintenance of the trees.

Mr. Pimental confirmed that the District has removed the fence at the Andes walkway, where the construction will take place for the new landscaping project. The damaged slats in the fence will be repaired.

Director Britton requested to make a correction to the September 2010 minutes under the "District Manager Report" discussion. He stated that the minutes incorrectly referred to Director Britton's assertion of a police report having been made. Instead, Director Britton asked that the discussion be corrected to reflect that it was a police "account" and not a police "report."

2011 Budget

Ms. Vander Wall noted that the meeting had been published as the District's hearing for its 2011 budget. Board Chairman Mike George opened the hearing for public comment on the District's

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proposed budget for 2011. After hearing comments and responding to specific questions from the public, Director George closed the public hearing.

The Board then discussed the proposed budget. Director Noble summarized the budget, noting that the District's expenditures will be increasing for 2011 as a result of the District's taking on the covenant enforcement services. He also discussed the impact on the budget as a result of the expiration of the 1 year tax refund which was coordinated in 2010 in the amount of 3.527 mills. The 2011 budget therefore shows an approximate increase of 5 mills in the District's operating funds. The District has experienced a very small increase in residential and commercial valuations.

The covenant enforcement services are estimated to cost the District the equivalent of 2 mills applied against the District's assessed valuation. An average home with a value of \$200,000 will pay approximately \$32 in District taxes specifically for the covenant enforcement and related services to be provided by the District in 2011.

Following further discussion on the proposed 2011 budget and upon motion by Director Schumer, seconded by Director Noble, and a vote of six in favor, one opposed (Director Britton), the Board approved the proposed budget, and approved the resolution adopting the 2011 budget, appropriating the funds and certifying the mill levy, as presented.

2010 Budget Amendment /
Public Hearing

Mr. Pimental introduced the District's 2010 budget amendment, noting that the purpose of the amendment is to provide for the additional settlement funds received from the Pirnack Walters litigation. Ms. Duffy pointed out that the amendment also provides for the additional and unanticipated revenues received for and expenditures required from the District's community program fund, because of additional enrollees in the summer camp program.

Chairman Michael George opened the public hearing on the District's amended 2010 budget. With no public comment, Director George closed the hearing.

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Following further discussion, and upon motion made by Director Noble, seconded by Director Schumer, and a vote of six in favor to one opposed (Director Britton), the Board approved the 2010 budget amendment and budget resolution as presented.

Discussion Items / Unfinished

Business:

- HOA / District Services Agreement

The President of the HOA, Mr. Roger Rohrer, introduced the topic by stating that he believes the agreement is approximately 90% complete; he expects the agreement to be presented to the HOA for approval at the December 1, 2010 meeting. Ms. Vander Wall noted that the agreement has been reviewed and modified only slightly further by the HOA / District services committee; she has just received some comments from the HOA's legal counsel that will require further follow up. Mr. Pimental reported that he is working on getting the office area set up for operations beginning in January. He expects to post a notice for three full time positions in December, for hiring in January. In response to inquiry from the public, Mr. Rohrer stated that the HOA will attempt to sublease its existing facility to recover lease costs pending termination of its lease. There were additional inquiries from the public regarding the accounting procedures, the new staff positions, and other questions regarding the specifics of the covenant enforcement operations.

- Vision Statement

Mr. Pimental noted that he has provided the Board members with a copy of the feedback received on District "vision statement" ideas. Director Haskins requested that the Board not act on the vision statement at this time, and suggested that the Directors take time to reflect and digest the vision statement and proposed ideas. He would like the Board to revisit the discussion item at a later time. Director Noble pointed out that his feedback included three statements that are intended to be read together. There was no further discussion regarding the vision statement.

- District Manager Contract

Ms. Vander Wall reviewed with the Board the draft agreement for management services, which has been previously discussed on a preliminary basis. Ms. Vander Wall reminded the Board that an agreement for services is recommended in order to set forth a description of the duties of the manager's job so that both the Board and the Manager have common expectations. The proposed agreement allows for implementation of a policy-based governance structure, with Board approved policies to be

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implemented by the Manager. The agreement is intended to provide a means to achieve accountability by the Manager to the Board. Ms. Vander Wall noted that the draft agreement has been revised to add the covenant enforcement services to the job description, as well as provide for “performance measures,” which can be used by the Board in the annual evaluations for the Manager.

The Board members generally discussed the agreement and determined to use the shortened form of job description, enhance the “at will” description of the job, remove the 90 days notice requirement related to termination, and revise the reference to “Mr. Pimental” instead of “Pimental.” A revised agreement will be brought back to the Board for consideration at the December meeting.

Discussion Items / New Business:

- Update re Volunteer Recognition Dinner

Mr. Pimental updated the Board on the volunteer recognition dinner event, which is scheduled for December 10, 2010. Some of the invitations appear to have been delayed due to zip code issues.

Mr. Subioro announced that he would like to volunteer to establish youth ball clubs or leagues for the community. Mr. Pimental invited Mr. Subioro to make an appointment with him to further discuss options and requirements.

- Personnel Manual

Mr. Pimental advised the Board that the District’s last review and update to its personnel manual was done in 2008. He has taken this manual and made some recommended changes, which are summarized in a cover memo to the Board. The original manual, and some of the changes, are based on the personnel manual distributed by the Special District Association model personnel manual. The proposed updated manual has also been reviewed and worked on by the District’s compensation committee. Mr. Pimental noted that the manual is not up for consideration at this meeting, but he would like to obtain feedback from the Directors for final approval by January, 2011 if possible.

- District Pay Plan

Mr. Pimental introduced to the Board the proposed “Pay Plan” for District full time professional and supervisory staff. The pay plan provides job titles and pay ranges for each classification. The

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proposed pay schedule is based on data provided by the Mountain States Employer's Council and the Special District Association, adjusted appropriately for the area and employer needs. The plan will give supervisors hiring guidance. The pay plan was also reviewed and worked on by the District's compensation committee, and is recommended for Board approval. Following discussion, and upon motion duly made and seconded, the District's pay plan was approved by the Board as presented, by a vote of six in favor, one opposed (Director Britton).

Other Business

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 8:55 p.m.

Secretary for the Meeting

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