

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, December 8, 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
Anthony Noble, Treasurer
Mary Schumer, Secretary
Fenna Tanner, Director
Earleen Brown, Director
Chuck Britton, Director (affidavit not on file)

Absent: Michael Haskins (absence excused).

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, Laverne M. Palmer, Marianne Toomey, Roger Rohrer, James Tanner, and Chris Herndon, District residents; 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 called the regular meeting of the Board of Directors of the GVR Metropolitan District to order.

Approval of Agenda

The Board reviewed the agenda, and by a vote of five in favor and one opposed (Director Britton), approved the agenda as

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presented.

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 November 17, 2010, were read. Upon motion duly made and seconded, the Board approved the minutes with a correction to accurately reflect the number of voting directors, and to add a period to the end of a sentence on page 5, by unanimous vote.

Public Comment Period:

- Public

Ms. Joann True commented on the District's website posting regarding the covenant services agreement. She also presented a written open records request regarding attendance and financial details related to the District sponsored volunteer recognition dinner.

- Master HOA for GVR

Mr. Roger Rohrer reported that the Master HOA approved the covenant services agreement with the District at its meeting. He confirmed that there is no HOA assessment being imposed for 2011.

- CAB

There was no comment on behalf of the CAB.

- Denver Police Dept.

There were no representatives from the Denver Police Department in attendance.

- Other

There were no other comments at this time.

Attorney's Report

Ms. Vander Wall directed the Board members to her written legal report, which identifies outstanding items for Board update.

Director Items

Director Noble provided a breakdown of the District's mill levy in response to Ms. True's inquiry at the November Board meeting.

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Director Britton inquired as to the trend for the District's legal expenses. Ms. Vander Wall responded and identified specific projects which have caused additional legal involvement in 2010. These projects and legal counsel involvement are not expected to continue. Director Britton also provided information regarding employee compensation packages based on his research of other public entities.

There were no other Director items presented.

Board Reports:

- November Financials

Director Anthony Noble noted that the November financial report will be presented for Board review at the January meeting; it is not complete due to the earlier date of the December Board meeting. As of the last report, the District had collected approximately 98% of its tax revenues. The Board reviewed the claims payable for the period ending November 30, 2010. Following discussion, and upon motion duly made and seconded, with one vote in opposition (Director Britton), the Board approved the 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 phone system changeover will be completed next week. The first phase of the Andes walk through project has been completed; the second phase, consisting of landscaping improvements, will be done next Spring. There was discussion and explanation regarding the selected concrete material for the pathway.

In response to comments made by Director Britton, Mr. Pimental also reported on the District's methodology selected for employee compensation amounts, as determined by the compensation committee. The committee looked at data derived from the Special District Association, Mountain States Employment Council, and other special districts' compensation schedules. Both job titles and job duties were considered in the process.

Discussion Items / Unfinished Business:

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- HOA / District Services Agreement

Ms. Vander Wall referred the directors to her memo which provided a descriptive outline of the provisions of the proposed covenant enforcement services agreement. She discussed the details of the agreement and responded to questions as they arose. Director Britton inquired as to the savings provided to the community as a result of the agreement. The Board noted two areas that will need to be filled in to complete the agreement: the reference to the Denver Ordinance No., in paragraph 1, and the date of the updated Master HOA's Residential Improvement Guidelines and Site Restrictions, in paragraph 1.b of Exhibit A. Additionally, some typographical errors were identified for correction. Following further discussion, and upon motion, second and vote, the Board approved the agreement by a vote of five in favor, one opposed (Director Britton).

- Vision Statement

The Board agreed to defer the discussion on the vision statement to the January meeting.

- Personnel Manual

The Board discussed the updated District Personnel Manual, presented by Mr. Pimental. Ms. Vander Wall commented that based on the background work done in preparation of the manual and in an effort to minimize legal fees, she and Mr. Pimental agreed that, subject to minor modifications, the manual can be implemented for use in 2011, and an in-depth legal review would be deferred to a later time. Ms. Vander Wall suggested that certain additional language be incorporated to emphasize the District's "at will" employment disclaimer, and also recommended that the Board implement an "acknowledgement of receipt" to be executed by each employee, which will confirm receipt of the manual as well as recognize that it now governs and supersedes prior versions. Following further discussion, and upon motion, second and vote, the Board approved the updated Personnel Manual, with the recommended modifications, by a vote of five in favor, one opposed (Director Britton).

- District Manager Services Agreement

Ms. Vander Wall reviewed with the Board the revisions made to the draft agreement for management services, following the Board's discussion at the November meeting. Following further discussion, and upon motion, second and vote, the Board approved the revised Agreement by a vote of five in favor, one opposed (Director Britton).

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- SOPPs
Mr. Pimental provided a summary of the feedback he has received to date on the draft District Standard Operating Policies and Procedures. He expects to bring the final document to the Board for approval in January.

Discussion Items / New

Business:

- 2011 Office Layout / HOA
Personnel

Mr. Pimental provided the Board with an update on the revisions to the District office layout and hiring of new personnel to accommodate the staffing requirements for the HOA Services Agreement in 2011.

- Other

Director Brown shared with the Board an invitation from Joe and Stephanie Dickerson of Financial Forensic Services to a holiday open house on December 16, 2010.

Mr. Chris Herndon introduced himself to the Board and the audience as a recent candidate who is running for Denver City Council as a District 11 representative.

Mr. Pimental provided the Board with the District's final assessed valuation, noting that it is approximately \$402,000 less than the preliminary numbers. This decrease in AV will have a slight impact on the District's mill levy discussed at the budget hearing, increasing it to 27.083 mills.

Director Britton requested to have his Board meeting materials printed on double-sided paper.

Ms. Laverne M. Palmer introduced herself as a property owner of the District and stated that she did not understand why Director Britton chooses not to sit with the rest of the Board at the table as a member of the team, and inquired why he votes against nearly every item that comes up for a vote by the Board. Director Britton responded by saying that he cannot see the public when he sits at the Board table, and that his votes represent a desire to save every penny that he can.

Other Business

There was no other business for discussion at this time.

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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 8:08 p.m.

Secretary for the Meeting

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