

## RECORD OF PROCEEDINGS

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

### GVR METROPOLITAN DISTRICT

Held: Tuesday, June 2, 2009 at 6:30 p.m., at the GVR Metropolitan District Office, 18650 East 45<sup>th</sup> Avenue, Denver, Colorado

#### Attendance

A special meeting of the Board of Directors of GVR Metropolitan District, Denver, Colorado, was called to order at 6:34 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:

Earleen Brown, President  
Michael George, Vice President  
Anthony Noble, Treasurer  
Mary Schumer, Secretary  
Elana Perry, Director  
Joanne True, Director (absent, excused)  
Charles Britton, Director (absent, excused)

#### Also present were:

Andrew Pimental, District Manager; Evan D. Ela, legal counsel; Andy Fisher, special litigation counsel; Mary Ann McGeady, special litigation counsel (arrived at 6:40 p.m.); Carr Conway and Pam Kerr, both from Financial Forensic Services (arrived at 7:15 p.m.).

1. Call to Order and Establish a Quorum Chairman Brown established the presence of a quorum.
2. Approve Agenda The Board reviewed and approved the published Agenda by consensus.
3. Conflicts of Interest Disclosures None
4. Executive Session **Upon motion by Director George, seconded by Director Brown, the Board voted unanimously to enter Executive Session at 6:38 p.m. for the purposes of:**
  - a. *Conferring with legal counsel for the District for the purpose of receiving legal advice on specific legal questions related to the lawsuit filed by the Master HOA for Green Valley Ranch against the District, and specifically related to negotiation of a possible settlement of the*

*litigation, as allowed by Section 24-6-402 (4)(b), C.R.S., and 24-6-402 (4)(e), C.R.S.; and*

- b. conferring with Financial Forensic Services, LLC and legal counsel in regards to the forensic audit of the District accounts, as allowed by Section 24-6-402 (4)(d), C.R.S., concerning specialized details of security arrangements or investigations.*

Board reconvened its regular meeting from Executive Session at 8:54 p.m.

5. Other Matters

- a. In open session, the Board discussed the proposal for a second phase of the investigation by Financial Forensic Services, LLC in its audit of District accounts. **Upon motion by Director Noble, seconded by Director Schumer, the Board unanimously authorized Financial Forensics Services, LLC to proceed with a second phase of its investigation by a vote of four in favor and none opposed (Director Perry had departed the meeting at 8:40 p.m.).**
- b. Chairman Brown entertained a motion from the Board to excuse the absences of Directors True (on the basis of her conflict of interest with the District's litigation with the HOA and its forensic audit investigation) and Director Britton (who had a previous commitment). **Upon motion by Director Noble, seconded by Director Schumer, the Board voted three in favor with one (Director George) opposed.**
- c. The Board discussed the level of District staffing needed if the Board is able to successfully settle the ongoing litigation with the Master HOA and a new Services Agreement is not negotiated with the Master HOA by October 2009. The Board discussed the need to hold a work session to discuss and formulate the Board's vision for the District's level and priority of services. Chairman Brown suggested obtaining information by the use of a community survey to help the Board set its priorities and to gain additional ideas for the Board to consider.
- d. Manager Pimental informed the Board that he has prepared an invitation to bid document for soliciting law firms interested in becoming general counsel for the District. He mentioned that he had worked with current legal counsel to craft the scope of services and a timeframe that would require submission of bids by interested firms by the end of June. Board members requested Manager Pimental to circulate the invitation to bid documents to the entire Board for its review and tabled any further action on the legal services solicitation process until the whole Board can discuss the matter at its June 17, 2009 regular Board meeting.

6. Adjournment

**Upon motion duly made and seconded the meeting was adjourned at 10:00 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 17<sup>th</sup> day of June, 2009.

Respectfully submitted,

/s/ Mary Schumer

Mary Schumer, Secretary