

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, November 16, 2016, 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 in accordance with the statutes of the State of Colorado. The following Directors, having confirmed their qualifications to serve on the Board, were in attendance:

Fenna Tanner, President
Michael George, Treasurer
Stephanie Brack, Vice President
Roger Rohrer, Secretary
Tim Camarillo, Director
Matt Stallman, Director

Absent: None.

Also present were Micaela Duffy, District Manager, Ken Albert, Facilities Manager, GVR Metropolitan District; Barbara T. Vander Wall, Seter & Vander Wall, P.C., legal counsel; Mariann Toomey, Eric Gravenson, Jim Tanner, Rose Thomas, William Thomas, Fronzo Gilkey, Shelly Yoder, Brian Loyd, Andy Sparling, Charles Britton, Anthony Noble, community members; Charlie Foster, Town Center Metropolitan District; Councilwoman Stacie Gilmore, Denver District 11; and Joe Erjavec, Crestone Consulting.

Call to Order

Director Tanner noted that a quorum of the Board was present with six directors in attendance. Thereafter, Director Tanner 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 upon motion, second and unanimous vote, the Board approved the agenda as presented.

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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 had been filed with the Secretary of State prior to the meeting.

No additional conflict disclosures were announced.

Public Comment Period:

- Denver Police Dept.

There was no report from the Denver Police Department at this time.

- Master HOA

Ms. Rose Thomas reported on the success of the recent “seed swap.” She reported that the Master HOA will be updating its existing policies at the next meeting.

- CAB

Ms. Mariann Toomey stated that there was nothing to report at this time.

- Other

Councilwoman Stacie Gilmore provided an update on many items. She announced the District 11 holiday party will be taking place on December 2, 2016. She noted that she will be hosting the first of seven meetings regarding G.O. bond discussions to identify capital projects. Projects which are not funded via the 2017 bond fund will be added to the capital improvement list, which can be reviewed on the Denver website. She provided an update on the Tower Road construction, noting that they are working on getting traffic signals, and that temporary signals will be installed to be transitioned to permanent signals in the first quarter of 2017. The signals should be synchronized. The 56th Avenue expansion plans from Tower to Peoria were originally planned for six lanes, but may be downsized to four lanes to save funds.

There was no other public comment at this time.

Approval of Minutes

The minutes of the regular meeting of the Board of Directors held October 19, 2016, were read. Upon motion and second, and unanimous vote the Board approved the minutes as presented.

Director Interview / Appointment

The Board discussed the vacancy on the Board of Directors as a result of the resignation of Michael Haskins. The District

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solicited letters of interest for the position through its website and newsletter, and has received three nominations from qualified individuals: Mr. William Thomas, Mr. Anthony Noble, and Mr. Deepan Dutta. It was agreed that an interview would be conducted of each of the nominees, and the Board would vote on the candidates at the conclusion of the meeting, for appointment to the Board effective at the December Board meeting.

Ms. Duffy proceeded to ask each of the candidates the same pre-selected questions which had been vetted with the Board, in the order of the letters of interest received, beginning with Mr. Thomas and concluding with Mr. Noble. The third candidate, Mr. Dutta, was not in attendance for the interview.

The remainder of the appointment process was deferred to the end of the meeting.

Attorney's Report

Ms. Vander Wall directed the Board members to her written legal report included in the meeting materials.

Board Reports:

- October Financials

Director George presented the financial report and claims payable for the period ending October 31, 2016, noting certain highlighted expenditures, including claims owed to Denver Water. Upon motion, second and unanimous vote, the Board accepted the October 31, 2016 financial statements as presented.

- District Manager's Report

Ms. Duffy referred the Board members to her report included in the meeting materials, and addressed the highlights with the Board. She reported that the Trunk or Treat event was a success, which included CAB participation with hayrides. The District website has not yet been updated. She advised of the food selection for the volunteer reception. Director Brack inquired into the T1 line. Ms. Thomas inquired about the replacement of the committee member left by Mr. Haskins. Director Rohrer inquired as to the compensation committee; Ms. Duffy is receiving financial information from MSEC; the SDA does not have salary comparison information, but relies on MSEC data. The Board inquired into the HOA supervisor search status.

Ms. Duffy noted that the management services agreement discussion is requested to be postponed to the December Board meeting. The Board agreed that this will allow the compensation

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committee to meet and review data prior to the meeting.

2017 Proposed Budget

Ms. Vander Wall noted that the meeting had been published as the District's public hearing for its 2017 proposed budget.

Ms. Duffy provided a summary of the proposed budget. She noted that the mill levy of 20.094 mills is the same as the prior year. The District's assessed valuation has increased slightly. She reviewed the highlights for the general fund, noting the funds set aside for capital improvements, including fence upgrades, the maintenance building and other community projects. Any project will be brought to the Board for approval prior to implementation. Ms. Duffy reviewed the community programs, noting that they are proposed to remain the same for 2017. The Conservation Trust Funds are the lottery funds which are slated for use on the District's parks and walkways. The HOA fund revenues have been decreased as a result of applying fund balance amounts for 2017.

Director Tanner, then opened the hearing for public comment on the District's proposed budget for 2017.

Ms. Rose Thomas inquired about the community programs, and whether there is an analysis done. Ms. Duffy advised that there is a detailed analysis performed for the programs. Director Rohrer asked about the threshold used for a determination of whether to retain or discontinue a program; Ms. Duffy stated that the decisions are based on desire, use and costs. Mr. Thomas asked if there is a fee paid on a per family basis, which was answered "yes." Director Brack inquired about sliding scale fees based on financial need; Ms. Duffy responded that need-based scholarships are available.

Mr. Chuck Britton stated that the District is not supposed to duplicate or take away from private entities, including services such as child care.

Ms. Rose Thomas asked about the decision to outsource landscape services. Ms. Duffy stated that the District has three contracts for trees, lawns and mowing services. This is the District's first year to contract out for mowing services.

Mr. Chuck Britton stated that before 1985 there was not metro district and no need for one until it borrowed ten million dollars;

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it took 30 years to pay it off. The District could abolish all of these problems; instead it is paying 61% more in taxes.

There being no further comments from the public, Director Rohrer closed the public hearing.

The Board then completed discussion on the draft budget. Follow a motion by Director Brack, second by Director Camarillo, the Board approved the proposed 2017 budget, and approved the resolution adopting the 2017 budget, appropriating the funds and certifying the mill levy, as presented and with flexibility for minor changes resulting from any deviations in the District's final assessed valuation.

Discussion Items / Unfinished Business:

- Maintenance Building Update

Mr. Joe Erjavec, Crestone Consultants, provided an update on the status of the District's maintenance building project. He stated that it is a continuing process and on track. The building permit from Denver is almost ready. The District received a final update on the guaranteed maximum price from Growling Bear based on the permit. There are some questions on the GMP regarding the breakdown of information on square footage, storage, and other issues. In response to questions, it was noted that the District will apply revenues from its fund balance to cover costs which exceed its budgeted amount. It was discussed that the building will allow the District to eliminate the leased facility on 19th Avenue, and the costs and time spent driving back and forth.

It was noted that the Board will be going into executive session to further discussion contract negotiations.

- Volunteer of the Year

The Board discussed guidelines for the selection of the volunteer of the year.

- HOA Contract

A committee meeting occurred with representatives of the District and the HOA in attendance, which was perceived positively. The Board agreed to defer any action on the HOA contract after going into executive session to discuss contract negotiations.

- GASB Audit Update

Ms. Duffy advised that Haynie & Company has been working on

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the PERA audit this week and all has gone smoothly. It will be presented to PERA upon completion.

Discussion Items / New Business There were no new business items brought for discussion at this time.

Ms. Rose Thomas, on behalf of the HOA, stated that the HOA will be updating the design guidelines.

Executive Session A motion was made to go into executive session for the purpose of development of negotiating positions and to receive legal advice following consultation with the attorney, authorized pursuant to Section 24-6-402(4)(b) and (e), C.R.S., at 7:30 p.m. All Board members, Ms. Duffy, Mr. Albert, Mr. Joe Erjavec and Ms. Vander Wall were in attendance, with Messrs. Joe Erjavec and Ken Albert departing prior to completion.

The Board returned from executive session at 8:34 p.m. and affirmed that no actions had been taken while in executive session.

Director Appointment (cont.) The Board acknowledged that the third candidate for the Board vacancy did not attend the meeting. The Board proceeded to vote for the appointee by paper ballot. Mr. Anthony Noble was announced as the appointee by majority vote of the Board. Ms. Duffy stated that she would advise the candidates of the outcome.

Director Items Director Rohrer stated that he feels positive regarding the HOA contract discussions.

There was discussion regarding improvements to be made to the District's monumentation regarding lighting and lettering.

There were no other Director items brought before the Board.

Other Matters There were no other matters 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 8:45 p.m.

Secretary for the Meeting