

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, January 18, 2011 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

Absent: Michael Haskins (absence excused).

Also present were Andrew Pimental, District Manager and Micaela Duffy, District Accountant, GVR Metropolitan District; Barbara T. Vander Wall, Seter & Vander Wall, P.C., legal counsel; Joanne True, Paul Gilberto, Cenynthia Green, Eric Gravenson, Jim Tanner, Mariann Toomey, John and Elaine Smith, District residents; and Charlie Foster, Town Center Metropolitan District.

Call to Order / Quorum

Director 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.

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Approval of Agenda

The Board reviewed the agenda, and determined to remove the discussion item regarding District investment strategy update. Thereafter, by vote of five in favor, one against (Director Britton), the Board approved the agenda as modified.

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 December 14, 2011, were read. Upon motion, second and vote of five in favor, and one opposed (Director Britton), the Board approved the minutes as presented.

Public Comment Period: - Public:

Ms. Joanne True inquired about the District's goals regarding its investment strategy discussion, noting that it has been an agenda item for a long time. She asked about the District's intentions regarding maintenance of the drainage pond at 41st and Ensenada. Mr. Pimental provided a brief report of recent communications with the HOA and Denver on this issue. Next, Ms. True asked several questions regarding the recent volunteer appreciation dinner hosted by the District and the HOA, including questions regarding the location of the event, the total cost, the number of attendees, the names of the attendees and their guests, and the specific account from which the District funds were spent.

Mr. Gilberto acknowledged his inability to attend the dinner, and expressed his appreciation to the District for the event and plaque. He further stated that Denver costs are approximately \$50 - \$400 per incident of graffiti removal; he mentioned that he and Art have performed these services at no charge to the District for over 1,400 graffiti incidents in the community over the past five years.

Ms. Cenythia Green introduced herself as a new homeowner since November, who is interested in learning more about the District

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and the community and ways in which she may get involved.

There were no comments from the CAB at this time.

- HOA: Ms. Mariann Toomey reported that the HOA will be vacating its office at I-70 and Havana by the end of February, as the lease will expire on March 31, 2012. This will be a cost savings to the HOA.

- CAB: Mr. John Smith spoke on behalf of the CAB, and noted that Tim Sheahan, the president of CAB, will be stepping down. He was given an award for his services on the CAB Board. Currently the CAB is vacillating between holding quarterly or semi-annual meetings. Ms. Elaine Smith noted that Mr. Smith also received a volunteer award from the CAB.

- Denver Police Dept.: There were no representatives from the Denver Police Department present.

Attorney's Report Ms. Vander Wall directed the Board members to her written legal report, which identifies outstanding items for the Board, including information on the District's upcoming director's election, and the All Phase contract compensation issues, which will be discussed later in the meeting.

Ms. Vander Wall also distributed the 2012 conflicts of interest forms, which identify any conflicts of interest to be disclosed for filing with the Secretary of State per statutory requirements, and director qualification affidavits, for completion by each director.

Board Reports:

- December Financials Mr. Noble presented to the Board the financial report for the District for the period ending December 31, 2011. He indicated that the December financial report was presented this month for Board member information only; it will be brought back as part of the year end financials at the February Board meeting, which allows the District time to tie up some loose ends.

- Claims Report Mr. Noble next reviewed with the Board the revised listing of claims payable through January 18, 2012. The Board acknowledged the outstanding payment claim related to the All Phase contract, and agreed to defer approval of the claims until

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after the executive session.

- District Manager Report

Mr. Pimental referred the Board members to his written monthly report, and reported on the highlights. He added that the GOCO Grant / RFP application is in process; it is due March 2, 2012. He updated the Board on the horse use on the District's recently planted common area, and the District's request to cease this activity. The District's request has been acknowledged, and there will be additional notice provided to the horse boarders using the 38th and Tower Rd. property.

Mr. Pimental noted that the meeting materials include a calendar for 2012 Board meetings. Because of the SDA conference, he is recommending that the Board move the regular meeting from the 3rd to the 2nd week of September, to avoid a conflict with the conference dates.

2011 Budget Amendment

Director Michael George opened the public hearing on the 2011 amended budget for the District. Ms. Duffy advised that the District needs to amend its community programming fund budget to appropriate the additional amount of approximately \$500 in expenditures, which exceeded the amount appropriated in the original budget. Director Britton inquired as to whether the community programming budget includes salaries; Director Noble responded that it does. Director George then closed the public hearing. Following further discussion, and upon motion by Director Schumer, second by Director Noble, and a vote of five in favor, one opposed (Director Britton), the Board approved the 2011 budget amendment. The Board further approved the budget resolution as presented.

Discussion Items / Unfinished

Business:

- Discussion re District Investment Strategies / Strategic Plan

Director Noble indicated that the planning committee did not meet this month, therefore the discussion is to be deferred to the February Board meeting.

Discussion Items / New

Business:

- All Phase Contract

Mr. Pimental summarized for the Board the contractor's failure to seed the 38th Avenue landscape project by the stated contract deadline, due to a deficient national supply of straw mulch. Legal

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- counsel recommended that the Board conduct further discussions regarding related compensation claim issues in executive session.
- Director Items Director Britton provided commentary on the expenditure of funds by the District and the HOA on behalf of the community, comparing such expenditures with governmental funds recently spent on the Iraq war.
- Executive Session Upon approval by a vote of at least two-thirds of a quorum of the Board, the Board determined to go into executive session for the purpose of discussing and providing direction regarding contract negotiations with All Phase, with consultation from the attorney, authorized pursuant to § 24-6-402(4)(e) & (b), C.R.S., at approximately 7:16 p.m..
- The Board reconvened from executive session at approximately 7:46 p.m. and affirmed that no actions had been taken during executive session.
- Financial Claims – Continued The Board then reviewed the financial claims for the period ending January 18, 2012, including the claim to All Phase. Upon motion duly made, seconded and vote of five in favor to one opposed (Director Britton), the Board approved the payment of claims as presented.
- Director Items – Continued Director Britton followed up his prior comments to add that he was asked to leave the volunteer appreciation dinner as a result of his video-taping activities.
- 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 7:50 p.m.

Secretary for the Meeting

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