

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, September 21, 2022, at 6:30 P.M. at the GVR Metropolitan District Office, 18650 East 45th Avenue, Denver, Colorado. Also available to the public via Go-To-Meeting.

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:

Anthony Noble, President
Lyman West, Director
Eric Gravenson, Director
Matt Stallman, Director
William Thomas, Vice President
Tim Camarillo, Secretary/Treasurer

Also in attendance were Micaela Duffy, District Manager, GVR Metropolitan District; Barbara T. Vander Wall and Russell Newton, Seter & Vander Wall, P.C., legal counsel; Rose Thomas*, President of Master HOA; residents Joyce Bennett and Charles Britton.

[*Attending virtually.]

Call to Order

Chairman Director Noble noted that there is a quorum of the Board with six directors in attendance, and called the regular meeting of the Board of Directors of the GVR Metropolitan District to order.

Approval of Agenda

The Board reviewed the agenda. Upon motion, second and unanimous vote, the Board approved the agenda as 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

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that written disclosures of the conflicts of interest previously submitted by the applicable Directors 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 were no representatives present from the Denver Police Department at this time.
- Master HOA Rose Thomas, President of the Master HOA, reported that the HOA held its annual meeting, and noted there is increased interest in delegate positions so there may be more representatives soon. She reported on the successful farmers market and seed swap, and the status of the mailbox replacement project. Director West asked when HOA meetings would be non-virtual, and Ms. Thomas answered that the HOA is evaluating this each month. Director Noble asked whether Ms. Thomas had an update on the recent press and investigation on the HOA inspection fees and foreclosures. Ms. Thomas answered that the HOA submitted an open records request regarding findings of no wrong doing, and the investigation should close at year-end. The HOA has also reached out to Councilwoman Gilmore's office for information on the investigation.
- CAB There were no comments from the CAB at this time.
- Councilwoman Gilmore's Office There were no representatives from Councilwoman Gilmore's office present for comment.
- Public Comment There was no other public comment offered at this time.

Approval of Minutes

The minutes of the regular meeting of the Board of Directors held August 17, 2022, were read. Director West inquired about a requested change to the regular meeting minutes of July 20, 2022, regarding Director Noble's direction on the Personnel Manual's signature page. Ms. Vander Wall advised that the change was made to the minutes of July 20, 2022, and the draft minutes of August 17, 2022, reflect the Board's discussion and instruction regarding the requested change. Director Gravenson requested that the minutes of August 17, 2022, clarify that the instruction was "regarding the Personnel Manual." Director Gravenson also requested that a reference to "Ms. Noble" on page 4 be changed to "Director Noble." Director Gravenson then asked who drafts the

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District's meeting minutes, and Ms. Vander Wall answered that legal counsel is tasked with drafting the minutes for the Board's review and approval. Upon motion and second, the Board approved the draft minutes subject to suggested revisions by a vote of five in favor and one opposed (Director West).

Attorney's Report

Ms. Vander Wall directed the Board members to her written legal report included in the meeting materials. She advised that the topics of the manager evaluation, City of Aurora temporary construction easement, and fence project matters will be presented later in the meeting.

Ms. Vander Wall reported on the Family and Medical Leave Insurance program (FAMLI), which has been established pursuant to the Paid Family Medical Leave Act approved as Proposition 118 at the November 2020 election. She advised that FAMLI is a state-run insurance program providing paid leave to Colorado employees for specific family and medical needs, with premium collection commencing in 2023, and leave benefits commencing in 2024. She further advised that local governments like the District may decline participation in the program but must notify FAMLI of a declination decision by year-end. She reported that a comprehensive memorandum detailing FAMLI administration and the declination process will be provided to the Board for further discussion at the October regular meeting.

Ms. Duffy reported that the Master HOA draft service agreement should be ready for discussion at the October meeting. Director Gravenson asked whether current covenant enforcement services are being performed in compliance with the newly effective law, and Ms. Duffy answered that they are.

Board Reports:

- July 31, 2022
Financials

Director Camarillo presented the financial report and claims payable for the period ending August 31, 2022, including the financial overview, and the District's property tax collections. Ms. Duffy reported that three Denver Water meters were not reading correctly and new meters were installed. Denver Water has back billed for water use, including use in 2021, and is charging \$30,000 for the readings up to replacement. Director Noble asked whether Denver Water is back billing at the 2022 or 2021 service rates. Ms. Duffy responded that she will review to determine what rates were imposed, and noted that staff is carefully reviewing meter readings to ensure no malfunctions are occurring. Director West reported that there could be a water leak in the District's system because

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water is collecting near his driveway. He asked why the District pays for postage on HOA mailings. Ms. Duffy answered that the District pays for the postage and the HOA reimburses postage for some of the mailings. Director Gravenson asked whether the payment to Commercial Property Services covered both locations where the work was performed, and Ms. Duffy confirmed that it is. Upon motion, second and unanimous vote, the Board accepted the August financial report as presented.

- District Manager's Report Ms. Duffy updated the Board with highlights from her manager's report. She noted the District has received bids for the fence replacement project and proposals for the new HVAC installation, both of which will be presented later in the meeting. She reiterated that the HOA should be delivering a proposal for an amendment to the services contract to the District in the coming weeks. She also directed the Board to the committee meeting minutes, Manager performance measure report, and Board calendar.

Board Member Candidate Interview Ms. Joyce Bennett introduced herself to the Board and requested the Board's consideration to appoint her to the vacancy on the Board. She has been a resident of GVR for approximately 28 years and has owned two residences in the District. She expressed an interest in district governance and services, including financial stewardship, committee involvement, District landscaping, and covenant enforcement services. Ms. Bennett responded to questions posed by individual Directors related to her interest in joining the Board. The Board thanked Ms. Bennett for her interest and Ms. Duffy noted that the Board will consider the appointment later in the meeting.

Discussion Items / Unfinished Business:

- Update on estimates for HVAC Ms. Duffy presented the Board with cost estimate proposals from Aurora Plumbing Co. Inc. and Wide Open Heating, Air & Electrical LLC to replace the District Administrative Building's furnace and air conditioning units. She reported that APC's proposal is a per unit cost and Wide Open's proposal covers all units, and the pricing is comparable with APC's at \$22,721.70 and Wide Open's at \$23,687.04. The Board reviewed and compared the two proposals, discussed issues of costs included and excluded, permit fees, prior experience, disposal of existing units, and quality of proposed brands. Ms. Vander Wall noted that the proposal would be converted into a scope incorporated into the District's form of contract, which will include the standard recommended

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protections. Upon motion, second and a vote of four in favor, one abstention (Director Gravenston), and one opposed (Director West), the Board determined to award the APC proposal and instructed legal counsel to prepare the contract for the work that ensures all work is performed at the same time.

- Fence Project Ms. Duffy noted that the fence project will be considered after the executive session later in the meeting.

- MOA / TCE with City of Aurora Mr. Newton reported that the City of Aurora accepted all proposed edits to the Memorandum of Understanding and Temporary Construction Easement as approved by the Board at the August meeting, except for the request for Aurora to indemnify the District. Aurora states that it will accept a mutual indemnification clause, or no indemnification. A mutual indemnification makes each party responsible for its own wrongdoing by defending and making the other whole for any wrongdoing it may commit. Mr. Newton discussed the risks which would benefit from indemnification and acknowledged that the risk level to the District is low for this project. He noted the District will be named as an additional insured on the insurance related, will be indemnified by the contractor performing the work, and the District also has its own insurance and governmental immunity. Upon motion, second and unanimous vote, the Board approved the form of Memorandum of Agreement and Temporary Construction Easement without a mutual indemnification clause. Director West asked who will maintain the new trail, and Ms. Duffy advised that the District would maintain the portion of the trail that is on District property and that Denver would maintain the portion of the trail on its property.

Discussion Items / New Business:

- District Manager Agreement Renewal Ms. Vander Wall advised that the agenda includes two separate topics for executive session, the manager services agreement and the fence project bids. As the manager and subject of the first topic in executive session, Ms. Duffy may request that her employment issues be discussed in executive session or open session. In order to allow the Board to be candid in its discussion, Ms. Duffy agreed that the Board discuss her employment agreement in executive session, and requested feedback from the Board on how she may improve her performance.

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Executive Session

Upon motion, second and unanimous vote, the Board approved entering into executive session at approximately 8:20 p.m. pursuant to § 24-6-402(4)(f), (e) and (b), C.R.S. for purposes of discussion of personnel matters, developing negotiating positions, and consulting with and receiving advice from legal counsel regarding the manager services agreement, and, § 24-6-402(b) and (e), C.R.S. for the purpose of consulting with and receiving advice from legal counsel, and developing negotiating positions regarding the fence project bids and contract. Upon motion, second and unanimous vote, the Board exited executive session at approximately 9:41 p.m.

Discussion Items / New Business (cont'd):

- District Manager Agreement Renewal

Director Noble reported that following discussion in executive session, it was determined that Ms. Duffy has exceeded expectations in her job performance. He noted that recommendations for improved performance will be delivered on behalf of the Board at a later time.

The Board also determined to continue discussion of Ms. Duffy's compensation and agreement renewal at the October meeting.

- Fence Project

The Board discussed the pros and cons of the bids submitted for the fence project, and upon motion, second and unanimous vote, the Board determined to award Fence Consulting Services Inc. and Trophy Fence LLC. Ms. Vander Wall advised that legal counsel will work with the awardees on a final contract for the Board's consideration at the October regular meeting.

- Board Vacancy

The Board discussed Ms. Bennett's interview, noting that she is a well-seasoned candidate and will bring a fresh perspective to the Board. Director Thomas added that her appointment will be a good opportunity for the Board to address Board process and education. Upon motion, second and unanimous vote, the Board appointed Ms. Bennett to the vacancy. Ms. Vander Wall noted that she would provide the appointment documents for execution by Ms. Bennett and filing with the District Court.

Director Items

Director West asked whether the District has bylaws and if the District's Service Plan is active. Ms. Duffy answered that the District does not have bylaws that its Service Plan is active. Director West reported that two District employees came to his residence to ask about new Gators for snow removal, which they

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said were approved by the Board but have not been purchased. Ms. Duffy answered that Mr. Albert is looking for the replacement Gators that are the right size and she will follow up on the matter. Director Noble noted that District employees should work with District management, rather than individual directors, for resolution of issues pursuant to the District's governance structure.

Director Gravenson requested that the Board revisit its policy on virtual attendance, and expressed a desire to have physical presence be the rule and virtual attendance as a limited exception for weather events or illness.

Director Camarillo reported on his accounting class, and noted that it was his birthday. The Board wished him a happy birthday.

Director West stated that he likes physical attendance over virtual attendance.

Director Thomas stated that virtual attendance is a good way for directors to attend and participate in meetings in the event they are traveling, as opposed to being absent from the meeting.

Director Noble stated that he typically does not attend meetings if he is on vacation.

Director Camarillo noted that many other public bodies continue to meet virtually, including the Denver City Council.

Director Stallman reported on different types of snow removal equipment, including Bobcat, Kubota, and Gator. He advised that Gators are normally in the \$25,000 range, while the others can be upwards of \$50,000.

Director Noble reported on the Special District Association Conference, noting that it was very educational and others should try to attend. He made some contacts for potential counseling of Board training, operations, and leadership. Director Noble would like the Board to improve its operational functions and leadership, and then reach out to the community to seek more involvement on District matters.

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 10:10 p.m.

Secretary for the Meeting