

RECORD OF PROCEEDINGS

MINUTES OF THE REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

GVR METROPOLITAN DISTRICT

Held: Wednesday, November 20, 2013, 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:

Michael George, President
Fenna Tanner, Vice President
Anthony Noble, Treasurer
Mary Schumer, Secretary
Michael Haskins, Director
Elaine Smith, Director

Absent: Roger Rohrer (absence excused).

Also present were Micaela Duffy, District Manager, GVR Metropolitan District; Barbara T. Vander Wall, Seter & Vander Wall, P.C., legal counsel; Eric Gravenson, Jim Tanner, and Mariann Toomey, District residents; Charlie Foster, Town Center Metropolitan District, and Beth Groom*, District homeowner.

[*Departed as indicated.]

Call to Order

Director George noted that a quorum of the Board was present 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 upon motion, second and unanimous vote, the Board approved the agenda as amended.

Conflict of Interest / Disclosure Matters

The Board had been previously advised that pursuant to Colorado law, certain disclosures by the Board members might

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be required prior to taking official action at the meeting. Legal counsel had caused written disclosures of the conflicts of interest for each Director to be 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 October 16, 2013, were read. Upon motion, second, and unanimous vote, with Directors Schumer and Smith abstaining, the Board approved the meeting minutes with a correction to Officer Heflin's name, as discussed.

Public Comment Period:

- Denver Police Dept.

There was no representative from the Denver Police Department for comment.

- Public Comment

Ms. Beth Groom introduced herself and inquired about authority for use of artificial turf on her tree lawn area. After further discussion, it was determined that Ms. Groom's property is on the north side and not governed by either the District or the GVR homeowners association.

[*Ms. Groom departed at this time.]

- HOA

On behalf of the Master HOA, Mr. Jim Tanner reported that the conveyance of the detention pond property is close to completion. According to Denver representatives, the paperwork has been submitted and is expected to be ready in two weeks.

- CAB

There were no comments from the CAB at this time.

- Other

There was no other public comment at this time.

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 Noble presented to the Board the District's financial report for the period ending October 31, 2013. He pointed out that the financial report includes copies of the District's accounts payable, but does not include the District's property tax schedule for the period. The Board discussed the District's tree management costs, and the water bill reimbursement from Town

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Center Metro District. Following further discussion, and upon motion duly made, seconded and unanimous vote, the Board accepted the October financials as presented.

District Manager's Report

Ms. Duffy referred the Board members to her written monthly report and reported on the highlights. Ms. Duffy reported that the stump removal project is in process. Ms. Duffy has scheduled interviews for the accountant position. She is working with the City of Denver on the detention pond clean up at 48th and Jebel. The "Trunk or Treat" event coordinated with the Far Northeast Optimist Club was very successful. The gas easement trail project is in process. The District's administrative building floor was recently replaced. Ms. Duffy will be doing a training program at MSEC with Dee Mares. Ms. Duffy provided an updated performance measures report for the Board's reference.

Discussion Items / Old Business:

- Presentation of 2014 Budget

Ms. Vander Wall noted that the meeting had been published as the District's hearing for its 2014 budget. Ms. Duffy provided a summary of the District's proposed 2014 budget.

The Chairman of the Board, Director George, opened the hearing for public comment on the District's proposed budget for 2014. There being no comments from the public, Director George closed the public hearing.

The Board reviewed the proposed budget. Director Noble noted a correction on the summary page regarding the conservation trust fund; the fund reads \$7,000 and should read \$70,000. Director Noble pointed out that the \$2,800,000 in the debt service fund is projected to be used to pay off the District's debt in its entirety at the end of 2014. The amount of \$429,000 has been budgeted to be used for the new maintenance building.

The Board discussed the District's reserve fund, and discussed what should be the appropriate level of funds maintained in reserve.

After further discussion, and upon motion by Director Noble and second by Director Schumer, the Board approved the proposed 2014 budget with the modifications discussed, and approved the resolution adopting the 2014 budget, appropriating the funds and

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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 / New Business:

- Potential Mill Levy Increase Election

Ms. Duffy and Mr. Noble presented the issue of a potential mill levy increase, which would require an election of the District. The District's general fund mill levy increase would be used to upgrade the District's existing maintenance efforts. For example, currently the District does "as-needed" repairs to its fence improvements. Additional funding would allow the District to institute a three-year rotation repair program for its improvements. The Board discussed the District's public infrastructure including fencing, sidewalks, trails, irrigation systems, detention ponds, etc., which are District obligations.

Ms. Duffy was directed to prepare an inventory of District improvements and maintenance requirements. The Board agreed to revisit the need for a mill levy increase at a future meeting. Director Noble acknowledged that one mill equates to approximately \$60,000 in tax revenues, per the current assessed valuation.

- Volunteer Appreciation Awards

Ms. Duffy reported that the District would like to recognize two individuals at the Volunteer Appreciation Dinner. The HOA will be proposing a second individual at the upcoming HOA meeting.

- HOA Agreement Update

Ms. Duffy reported that the HOA committee has identified certain procedural changes but that there does not appear to be a need to make any changes to the agreement.

- District Organizational Chart

Ms. Duffy presented a proposal to revise the District's organizational chart to move the District's Office Manager position to be subordinate to the District Manager rather than the District Accountant. The Board agreed with the recommendation presented.

- Other

There were no other new business items brought for discussion at this time.

Director Items

Director Haskins inquired about the District's hotline and requested a report on its use and recent log. He also inquired as to whether the line could be combined with the District's graffiti

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line. Director Haskins also inquired about the Gobble Wobble race; Ms. Duffy reported that the District will have a table at the event.

Director Schumer inquired about the dead trees along Picadilly. Mr. Charlie Foster noted that these trees were recently removed.

There were no other director items brought at this time for discussion.

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 8:00 p.m.

Secretary for the Meeting