

RECORD OF PROCEEDINGS

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**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
PARKER JORDAN METROPOLITAN DISTRICT  
HELD  
MARCH 20, 2012**

A regular meeting of the Board of Directors (the "Board") of the Parker Jordan Metropolitan District (the "District") was held on March 20, 2012 at 5:00 p.m. at CliftonLarsonAllen LLP, located at 8390 E. Crescent Parkway, Suite 500, Greenwood Village, CO 80111.

Attendance

In attendance were Directors:

Norman A. Sheldon  
Bill Lamberton  
Clint Waldron  
Mike Cornelsen

Also in attendance were:

Bob Blodgett and Kevin Collins; CliftonLarsonAllen LLP  
Dianne Miller and Matt Ruhland; Miller & Associates Law Offices, LLC  
Dan Sheldon and Greg Kelly; United Development Companies LLC  
Ron Lambert; Mulhern MRE  
Susan Brown; Valerian LLC  
Rick Kron; Grimshaw & Harring  
Josh Duncan, Steve Bailey and Ken Cecil; J3 Engineering  
Lisa Jacoby, Anna Mercurio; SDMS  
Lanae Raymond and Jane Servis; SEMSWA  
Butch Fiore, Tim Sullivan, Tim Mangnall, Carol Johnson, Foster Kenney,  
Joe Shinagle and Paul Coleman; Fiore & Sons, Inc.  
John Warnick; Axion  
Marti Whitmore; Jackson & Kelly, PLLC  
Dave & Sue Sica; Residents of 7990 S. Kittridge Way

Call to Order

Director Sheldon called the meeting to order at 5:05 p.m.

Pledge of  
Allegiance

Mr. Butch Fiore led the Board and audience in the pledge of allegiance.

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### Declaration of Quorum/Director Qualifications Disclosure Matters

The Board was advised that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board then reviewed the agenda for the meeting, following which each Board member confirmed the contents of any written disclosure previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of members present was necessary to obtain a quorum or otherwise enable the Board to act.

Director Sheldon reported that he had disclosed his interest as an owner of property located in the District. These disclosures are in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Lamberton reported that he had disclosed his interest as an owner of property located in the District. The disclosure is in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Waldron reported that he had disclosed his interest as an owner of property located in the District. Director Waldron is also an associate attorney with White, Bear & Ankele, which serves as general counsel to Cornerstar Metropolitan District. The disclosure is in association with the consideration and/or approval of agenda items which may affect his interests. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Cornelsen reported that he has no conflicts to disclose. Therefore, no written disclosure of interest was filed with the Secretary of State prior to the meeting.

The Board excused the absence of Director Keesen.

### Consideration of Agenda

The Board approved the Agenda as submitted.

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### Public Comment

Mr. Dave Sica, a resident of Southcreek, asked the Board about the plans for the 27 acre open space adjacent to Southcreek. He lives adjacent to the open space and is concerned about the potential of a parking lot with vehicles and noise adjacent to his property. Mr. Sheldon reported the District has conceptual plans for a small 12 space parking lot adjacent to some passive open space uses. Mr. Blodgett reported Ms. Brown has prepared a planning grant that has been submitted to Arapahoe County to coordinate with Centennial and residents regarding planning for the future uses in the 27 acres. The District should know in April whether or not the planning grant has been approved by the County.

Mr. Sica recommended that the information on the 27 acre planning grant be added to the District's website. Mr. Blodgett will do.

### **CONSENT AGENDA**

Upon a motion duly made by Director Lamberton, seconded by Director Waldron, and upon a vote, unanimously carried, the Board approved the consent agenda as submitted.

- a. Approve Minutes of the February 28, 2012 Special Board Meeting
- b. Approve Minutes of the February 21, 2012 Regular Board Meeting
- c. Approve February 28, 2012 Financial Statements
- d. Accept March 15, 2012 Schedule of Cash Position
- e. Approve February 2012 Claims Totaling \$366,239/85 and Directors' Fees Totaling \$754.80
- f. Accept Resignation of Miller and Associates Law Offices, LLC as General Counsel and DEO
- g. Ratify Agreement with Grimshaw & Harring, PC to Serve as Interim General Counsel Through the May Directors' Election – Hourly Rate
- h. Ratify Agreement with SDMS to Serve as DEO for May Directors' Election - \$6,250 plus Hard Costs
- i. Approve Amended May 8, 2012 Election Resolution to Reflect New DEO
- j. Accept Broncos Parkway Trailhead Grant Close-Out Correspondence
- k. Accept 27 Acre Planning Grant Submission to Arapahoe County
- l. Accept ACWWA Donation of One Acre Foot of Water For Cherry Creek Depletions
- m. Accept February 22<sup>nd</sup> J3 Engineering Letter Re: Construction Administration Services
- n. Accept February 28<sup>th</sup> Letter from Colorado Division of Water Resources Re: Emergency Substitute Water Supply Plan
- o. Information Items

The Board asked that Ms. Jacoby and Ms. Mercurio provide a status on the Board of Directors' election prior to the Discussion Agenda.

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Ms. Jacoby provided an update on the election. She indicated that due to the 3,700 voters within the District, the estimated costs for SDMS are approximately \$9,000 and the out of pocket costs for printing, copying and postage for the mail ballots is approximately \$14,000 for a total of \$23,000. Mr. Blodgett reported the 2012 budget has \$1,000 for the election which anticipated a cancellation of the election. Funds are not budgeted for a contested election, however, funds are available in the District's contingency for this purpose.

Ms. Mercurio reported that mail ballots can be sent as early as April 16<sup>th</sup> and counting can be shortly thereafter. The deadline for receipt of mail ballots is Tuesday, May 8<sup>th</sup> at 7:00 p.m. Election results will be announced to the candidates and manager the night of the election.

Mr. Kron addressed campaign finance guidelines for the three Board members who are candidates in the election. He recommended that the candidates review the Secretary of State's election website for guidance regarding the election. Mr. Kron cannot provide advice to candidates on behalf of the District.

### **DISCUSSION AGENDA**

PJCOS Stream  
Restoration and  
Open Space  
Reclamation/  
Amenity Work

- a. Fiore & Sons Contract Issues – Presentation Re: Request for Additional Compensation

Mr. Sullivan, Mr. Fiore, Mr. Mangnall and Mr. Shinagle reviewed a Power Point presentation with the Board regarding eight (8) NOI's submitted by Fiore & Sons, Inc. related to the Cherry Creek Stream and Low Water Crossing Reclamation Project. They indicated that the current estimated value of the eight NOI's for actual work to-date and estimated work required to complete the work is \$1,661,304. They stated their opinion that the primary reasons for the additional work related to incomplete construction drawings and conflicting direction in the field from numerous agencies who are overseeing the Cherry Creek reclamation work.

Mr. Sullivan asked that the Board appoint a committee consisting of District consultants and the Fiore team to meet and provide recommendations within the next 60 days. Mr. Sullivan provided three ring binders for each Board member and consultant and additional detailed documentation in other binders regarding all of the work that has transpired to-date that has led to these requests.

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The Board thanked Mr. Sullivan for his presentation and noted they would discuss this matter in Executive Session with the District's attorney and consultants later in the meeting.

b. Power Point Update – Dan Sheldon

Mr. Sheldon presented his Power Point update on the status of the project. He included numerous pictures taken by Mr. Duncan which photographed the release of water from Cherry Creek back into the stream after the Phase I reclamation work was completed. The Board congratulated Mr. Sheldon, Mr. Duncan and Fiore & Sons, Inc. on the completion of this important milestone in Phase I of the project.

Mr. Sheldon reported that Phase II includes another drop structure as part of the SEMSWA work at the south end of the channel. He anticipates Fiore & Sons, Inc. will be out of the channel by the end of April so that the open space reclamation work can begin. The entire project should be completed in June.

c. PJCOS Kiosk Update - Susan Brown

Ms. Brown distributed copies of the latest draft of the kiosk pages. Director Sheldon asked that any Board member with comments or changes provide them to Ms. Brown as soon as possible.

d. Approve Change Order No. 2 to the Fiore & Sons, Inc. Contract for Regional Drainage Improvements from Property to the East – \$TBD

Mr. Sheldon reported this change order has not yet been received from Fiore & Sons, Inc. Action was deferred.

1. Approve Agreement with J3 Engineering for Design of Drainage Improvements - \$3,456

Upon a motion duly made by Director Waldron, seconded by Director Lamberton, and upon a vote, unanimously carried, the Board approved the agreement with J3 Engineering for design of drainage improvements resulting from the property to the east for \$3,456.

Other  
Capital  
Projects

a. Status of PJMD Open Space Long Term Management Planning Grant Letter to CCBWG – Bob Blodgett

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Director Sheldon reported this project is on hold at the request of Arapahoe County.

b. PJCOS Dedication Plaque/Sign – Bob Blodgett

Mr. Blodgett distributed copies of the draft sign recognizing completion of the Cherry Creek stream and open space reclamation work. The Board tabled action to a future Board meeting.

c. Executive Session – Legal Advice and Negotiations

Upon a motion duly made by Director Cornelsen, seconded by Director Waldron, and upon a vote, unanimously carried, the Board went into Executive Session at 6:35 p.m. pursuant to C.R.S. 24-6-402-(4)(b)and(e) for purposes of developing negotiating positions and direction to negotiators and to receive legal advice concerning the Fiore request.

Upon a motion duly made by Director Waldron, seconded by Director Cornelsen, and upon a vote, unanimously carried, the Board adjourned out of Executive Session at 8:10 p.m.

### Legal

a. Status of Easement and Water Rights Issues with MPIC – Marti Whitmore, Jackson & Kelly, PLLC

Upon a motion duly made by Director Cornelsen, seconded by Director Waldron, the Board adjourned into Executive Session pursuant to C.R.S. 24-6-402(4)(b) and (e) for direction to negotiators and receive legal advice concerning the MPIC easement and water rights at 8:25 p.m.

Upon a motion duly made by Director Waldron, seconded by Director Lamberton, and upon a vote, unanimously carried, the Board adjourned out of Executive Session at 9:35 p.m.

The Board took no action.

b. Status of CORA Issues with MPIC

Mr. Kron reported that Mr. Bronesky reported no changes in the current status of the CORA lawsuit. It is scheduled for District Court on October 15<sup>th</sup> and 16<sup>th</sup>, 2012.

c. May 2012 Directors' Election Update – Ann Finn, SDMS

Previously addressed.

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- d. Status of IGA with Arapahoe County to Accept \$643,000 for PJCOS Open Space Reclamation Work (Pending April 3, 2012 BCC Consent Agenda Approval of Resolution)

No report.

- e. Status of 27 Acre Open Space Exclusion From VCMD

Mr. Ruhland reported that Centennial's attorney, Marcus McAskin reported that the City Council would like to wait on this issue until a new City Manager is hired and then address it at that time. This should be within the next 90 days.

- f. Grimshaw & Harring, PC Guidelines for Board Member Attendance at Board Meetings

Mr. Kron reported that Grimshaw & Harring interprets the statutes to allow Board member attendance by telephone at Board meetings to count towards a quorum. They require that a speaker phone that allows the persons attending by phone to hear and be heard be placed in a physical location which is the address of the meeting, and that a representative be present at the phone with those Board members and the public who attend in person.

The Board expressed some concerns about a change in this procedure. They stated that it is always preferable for Board members to attend in person. Mr. Kron agreed.

- g. Other

Mr. Kron recommend the Board amend their action in the Consent Agenda to approve a not to exceed \$10,000 for SDMS to conduct the May 2012 Directors' election plus out of pocket expenses of \$14,000. This is per the request of SDMS.

Upon a motion duly made by Director Waldron, seconded by Director Cornelsen, and upon a vote, unanimously carried, the Board approved to amend their action in the Consent Agenda to approve a not to exceed \$10,000 for SDMS to conduct the May 2012 Directors' election plus out of pocket expenses of \$14,000.

### Financial

- a. Status of Grant Reimbursements

Mr. Collins provided an update on reimbursements.

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- b. Status of Cornerstar Facility Fee Reimbursement to Alberta – \$4,984.34

No action.

- c. Other

Director Cornelsen asked Mr. Collins to review the status of available funds in the District's Capital Projects Funds and other funds to provide for additional costs on the Cherry Creek Stream and Reclamation Project, if needed.

### Director's Items

After discussion, the Board directed Mr. Blodgett to send a letter to Mr. Sullivan, Fiore & Sons' CEO, indicating the Board will refer all of his documents and materials to their consultants for review over the next 30 days. The consultants will provide input and recommendations at the Board's April meeting. The consultants will contact the Fiore & Sons team if they have questions or need to meet prior to the April Board meeting.

### Manager's Items

- a. March 16, 2012 CCBWG Meeting Cancelled

This meeting was cancelled and the next meeting is in April.

- b. Additional claims

Mr. Blodgett recommended approval of two additional checks provided after the Consent Agenda: One for approval of kiosk content proofing for \$190 to Ms. Brenda Sheldon, and another to the Arapahoe County Clerk in the amount of \$25, respectively.

Upon a motion duly made by Director Cornelsen, seconded by Director Waldron, and upon a vote, unanimously carried, the Board approved the two additional claims.

### Other Business

- a. Confirm Quorum for the April 17, 2012 Board Meeting

The Board determined that this meeting would not work. They asked Mr. Blodgett to schedule a separate meeting during the week of April 23<sup>rd</sup>. The Board has also decided to not have a special meeting during the week of April 2<sup>nd</sup> to consider the bond refunding proposals. This will be done at the next special Board meeting the week of April 23<sup>rd</sup>.



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Adjournment

Upon a motion duly made by Director Waldron, seconded by Director Cornelsen, and upon a vote unanimously carried, the meeting was adjourned at 9:50 p.m.



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Secretary for the Meeting