

RECORD OF PROCEEDINGS

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**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
PARKER JORDAN METROPOLITAN DISTRICT  
HELD  
December 18, 2012**

A regular meeting of the Board of Directors (the "Board") of the Parker Jordan Metropolitan District (the "District") was held on December 18, 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 (left at 7:15 p.m and rejoined via telephone at 7:30 p.m.)  
Cal Lennon  
Mike Cornelsen

Also in attendance were:

Bob Blodgett, Mat Mendisco and Kevin Collins; CliftonLarsonAllen LLP  
Rick Kron; Spencer Fane & Grimshaw LLP  
John Fetters III, Resident  
David Goldberg; South Creek Investors  
Chuck Musgrave; Barker Rinker Seacat Architecture  
Laura Hoepfner; City of Centennial  
Ken Moss; Pro Auto Collision  
Marsha and June Lessar; MGL Investment  
Paul Spokas; Spokas Ventures LLC  
Dan Koppelman; 7443 S. Noble Street  
Allen Thurman & Greg Armstrong; Dove Valley Metropolitan District  
Amy Cornelsen; 16161 E. Otero Avenue  
Darrell Eastwood; 6950 S. Jordan Road  
Robert Stafford; 6829 S. Jordan Road  
Brian Eichman; 16047 E. Nichols Avenue  
Michael Mann; 5918 S. Eudora St.  
John Moss & Stella Gimpilova; 16194 E. Hindsdale Avenue  
Kevin Crehan; Solara Desgins

Call to Order

Director Sheldon called the meeting to order at 5:00 p.m.

Pledge of  
Allegiance

Mr. Thurman 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 of record, 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. His son, Dan Sheldon, owns a minority interest in South Creek Investors, LLC and Director Sheldon has no financial interest therein. 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. He is a director and owns a minority interest in Emerald Isle Landscaping, LLC, and family members have additional interests therein. 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.

Mr. Cornelsen presented information on his disclosure as an owner of a home in the Southcreek Subdivision. He stated his home backs up to the 27-Acre Open Space. His address is 16161 E. Otero Avenue. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

Director Lennon reported that he had disclosed his interest as the owner of the home at 16224 E. Phillips Drive within the District. A written disclosure of his interests was filed with the Secretary of State prior to the meeting.

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Director Sheldon noted that a quorum was present for the meeting.

Consideration  
of Agenda

The Board approved the agenda as submitted.

Proposed  
Community Center  
And Pool (CCP)  
Project

Director Sheldon welcomed the residents and business owners that attended the meeting. He indicated the purpose is to receive public input on a potential community center and pool project in or adjacent to the District. He stated the Board has not yet made a final decision on proceeding with the project. The public input tonight is an important factor in that decision. He reported Vice President Cornelsen will present a Power Point Presentation on the status of the potential community center and pool project.

a. Status of Potential Project

Director Cornelsen presented a Power Point Presentation on the potential community center pool, current revenue and tax situation within the District, potential sites and concluded by stating the District is at a crossroads: (1) to be a maintenance district only and not conduct any future major projects, or (2) the District can construct a community center and pool with no tax increase to the District property owners and have a long term amenity which would also involve maintenance responsibilities.

He would like to hear the public comments regarding proceeding with the pool project or lowering taxes if the project is not pursued, or are there other projects which residents may wish to see the District pursue in the future?

Mr. Dan Koppleman stated his opposition to the community center project. He stated other private recreation facilities are available in the area. He did not feel that the District needed to get involved as a government in providing an additional community center and pool. He stated the District could support the Red Hawk Ridge Elementary School as a community center and assist in their funding needs. He also stated he is a Board member of the Creekview HOA, and the Board has voted against support of the proposed community center and pool.

Mr. Brian Eichman stated his support for a community center and pool. He stated that his family is paying approximately \$120 per month at a facility that is a considerable drive from his house in South Creek. He would prefer a facility that is much closer at a more affordable rate.

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Several business owners expressed their opposition to the community center and pool concept. They stated the business community would not benefit. One owner stated he paid the District a significant one time fee when he started construction of his project. With the economy, he has had to reduce his number of employees from 50 to 12 over the past few years. He would prefer the District lower taxes instead.

Ms. Stella Gimpiliova said she was opposed to the community center and pool project. She supported Mr. Koppleman's comments.

Mr. John Fetters III asked who owns one of the potential sites under consideration.

Director Sheldon stated Sites 2 and 3 in Dove Valley are owned by private investors.

Mr. David Goldberg reported that he is the majority owner of Site #1. Director Sheldon stated that his son is a minority owner in Site #1, but he has no financial interest whatsoever in that site.

A resident asked what potential fee revenue might be anticipated for the center. Director Cornelsen stated the Board has discussed a fee in the range of \$10 per month for residents who use the facility. Employees of the businesses in the Cherry Creek Business Center may be granted free access given their tax payments to the District. These discussions are in the very early stages at this time.

Director Sheldon stated that another project for consideration by the District would be the landscaping of the east side of Jordan Road from Arapahoe Road to the edge of the Cherry Creek Business Center. This is a major entrance to the District which could benefit from additional landscaping.

### b. Description of Potential CCP – Chuck Musgrave, BRS

Mr. Musgrave reviewed Power Point slides describing the potential facilities to be included in the community center and pool project. He stated this would be complimentary of a private fitness facility and not duplicative. The facility would have party rooms, meeting rooms and other items for the community.

### c. Board Member Comments

Director Lamberton utilized Director Cornelsen's Power Point slides to make points related to his concern about the future payments by the business community for this center. The business community already pays a much higher percentage of taxes based on assessed valuation than the residents. He stated his concern is that future boards will be managing

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the community center and pool and addressing any taxes increases related to maintaining the facility. He believes future tax increases will eventually be necessary. He recommended that the District reduce taxes rather than pursuing a major project with ongoing maintenance like the community center and pool.

- d. Public Input – Members of the Public May Express Their Views to the Board Regarding the Potential CCP Project.

Previously addressed.

- e. Review Due Diligence Information on Three Potential Sites and Discuss Other Possible Sites

Not discussed.

- f. Executive Session Pursuant to Section 24-6-402(4)(b) and (e) to Consult with Attorney on Specific Legal Questions and to Develop Negotiating Positions, Strategy, and Instruct Negotiators Concerning Potential Contract to Acquire Property for the CCP

The Board determined that no executive session was necessary.

- g. Next Steps

Deferred.

Public  
Comment

No additional public comments.

### CONSENT AGENDA

Mr. Blodgett reported the revised November 13<sup>th</sup> minutes are included in the District's post packet items.

Mr. Blodgett reported the November 2012 claims total \$62,054.97 and Director's fees are \$188.70 for the two Directors who have not yet reached the 16 meeting maximum limit for the year. He stated the CliftonLarsonAllen management services fees have been reduced to a maximum of \$130 per hour per task completed for the District in November.

Regarding Item i, Mr. Blodgett noted that Mr. Crehan and Mr. Thurman would like to address the Board at the January 15<sup>th</sup> meeting regarding requested contribution for trail projects within Dove Valley. This will be scheduled at that future meeting. The Board asked for clarification on the exact amount being requested by Dove Valley. Director Cornelsen thought the amount was \$15,000. Mr. Blodgett will clarify.

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Regarding Item j, Mr. Blodgett reported Fiore has submitted a change order in the amount of approximately \$3,200 for repairs related to the stormwater quality permit. Mr. Blodgett and Mr. Kron are reviewing their agreement. They do not recommend approval at this time. This change order will be scheduled for the January Board meeting.

Regarding Item k, Mr. Blodgett reported the SDA Pool will provide an additional revised quote for 2013 to reflect a higher value on the kiosk than was quoted in their original proposal. The increase is estimated to only be approximately \$100.

Mr. Blodgett reported the Pool had tentatively accepted the District into membership for 2013 pending a no known loss letter from Mr. Kron. Mr. Kron stated he will disclose the potential contract issues with Fiore and MPIC in his letter. This letter will be sent tomorrow to the Pool.

Regarding Item m, the \$1,500 agreement with BRS Architecture provides for work by Mr. Musgrave through the Board meeting tonight, plus three more hours if required by the Board. The Board stated the \$1,500 should be a not to exceed if no additional work is needed. Mr. Musgrave concurred.

Director Waldron expressed concerns about the ERO agreement and why the \$3,100 fee was not covered in their prior agreement regarding the PJCOS work. Mr. Blodgett will check. The Board removed Item h from the Consent Agenda.

After discussion, upon a motion made and seconded by a unanimous vote, the Board approved the Consent Agenda with the exception of Item h, agreement with ERO for required PJCOS permit monitoring report in the amount of \$3,100.

- a. Review and Approve Minutes of the November 13, 2012 Special Board Meeting as amended
- b. Review and Accept December 17, 2012 Cash Position Report
- c. Review and Accept November 30, 2012 Financial Statements (Deferred)
- d. Ratify Approval of Claim Totaling \$300 Represented by Check Number 1564
- e. Review and Approve November 2012 Claims Totaling \$62,054.97 and Directors Fees for \$188.70
- f. Accept Final 2013 Budget
- g. Review and Approve 2012 Audit Engagement Letter with Simmons & Wheeler - \$3,6000
- h. Approve Agreement with ERO for Required PJCOS Permit Monitoring Report - \$3,100
- i. Accept December 5<sup>th</sup> Letter with Kevin Crehan, Solara Designs Regarding Funding Participation in Dove Valley Trail Projects
- j. Accept Fiore Information Regarding Aurora Stormwater Quality Permit Maintenance Issues
- k. Approve Application to SDA Property and Liability Pool for 2013 Insurance - Insurance - \$6,843.17

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- l. Approve 2013 Worker's Compensation Policy with SDA Property & Liability Pool - \$194
- m. Approve Work Authorization with Barker Rinker Seacat Architecture for Preliminary Site Evaluation and Programming for the Proposed CCP -\$1,500
- n. Information Items

Director Waldron left the meeting at 7:15 p.m., stating that he would be available by telephone.

### DISCUSSION AGENDA

The Board decided to address the next steps related to the proposed community center and pool at this time. Director Sheldon asked each Board member to express their current views on the project.

Director Cornelsen stated he was concerned there was not a groundswell of support for the project. He understands there could be unforeseen costs in the future. However, he would still like to find a way to pursue the community center and pool project without a tax increase in the future.

Director Waldron rejoined the Board meeting at 7:30 p.m. by telephone.

Director Lennon stated he is not in favor of the community center and pool project at this time. It doesn't mean he could not be supportive in the future. However, based on the public input, the timing is not right for the project right now.

Director Waldron also stated he is in favor of lowering taxes as a general concept for the property owners. He also stated the timing is not right to pursue the community center and pool project at this time without community support.

Director Lamberton stated his opposition to proceed with the community center and pool as previously stated in the Board meeting. He prefers the District to lower taxes instead.

Director Sheldon stated it appears that a majority of the Board is opposed to continuing with the community center and pool project at this time.

Director Lennon recommended a planning session of the Board to discuss priorities and projects over the next 1-5 year timeframe. What should the Board pursue next in the short, medium and long term related to taxes, services and projects, etc? The Board concurred.

Director Cornelsen stated his concern is denying the community center and pool project at this time without a definitive plan for the use of the District's cash reserves on other projects or issues. The Board noted this would be addressed in the planning and goal setting session.

After discussion, upon a motion made and unanimously approved, the Board decided to table any future action on the proposed community center and pool at Sites 1, 2 and 3.

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The Board decided to hold a planning work session in early 2013 to discuss future projects and priorities for the District and the usage of available cash reserves. This could include lowering taxes, escrowing excess funds in the Debt Service Fund to retire debt earlier, other major infrastructure projects, developer reimbursements, or parks and recreation projects/other amenities for the businesses and residents.

The Board discussed the possibility of a Sub District or a separate Parks and Recreation overlay District to accomplish a future community center and pool project to be paid for by those residents directly benefiting from the project. Mr. Kron will provide additional information on these entities to the Board for review.

### PJCOS Stream Restoration and Open Space Reclamation Amenity Work

- a. Status of Fiore Request for Additional Compensation - \$863,025

Mr. Kron reported the meeting with Fiore is set for Thursday, December 20<sup>th</sup> at 2:00 p.m. at Mr. Commander's office. Mr. Commander, J3 Engineering, United Development Company and Directors Cornelsen and Lamberton will attend the meeting with Fiore. The purpose is to review the engineering report from J3 that provides documentation related to the District's plans and specifications provided to Fiore and other bidders regarding the project prior to the Award of the Bid.

- b. Executive Session –Legal Advice (If Necessary)

The Board determined that no executive session was necessary.

### Other Capital Projects

- a. Ladera Connection

Mr. Blodgett provided an update from Mr. Duncan. The survey has been completed. The anticipated slope may be at 5% or higher. J3 Engineering is proceeding with preliminary design documents.

- b. Other

None.

### Legal

- a. CORA Lawsuit Update

Mr. Kron reported there is no change from the update at the last Board meeting.

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b. Status of Rules and Regulations for PJCOS

Mr. Kron reported he is awaiting Mr. Blodgett's and Mr. Mendisco's recommendations regarding changes to the draft.

Financial

a. Other

None.

Director's Items

a. Approve 2013 Annual Administrative Matters Resolution

Following discussion, and upon a motion duly made and seconded, and upon vote, the Board approved the 2013 Annual Administrative Matters Resolution as submitted.

b.

Bookmobile Usage

Mr. Mendisco has contacted the Arapahoe Library District for a report on usage. He will provide that to the Board once it is received.

c. Confirm Quorum for Next Meeting – January 15, 2013 at 5:00 p.m.

A quorum was confirmed. Director Lamberton indicated he will be out of town and will call into the Board meeting.

Manager's Items

a. Approve 2013 Landscape Maintenance and Weed Control Agreement with Emerald Isle Landscaping - \$52,175

Director Lamberton disclosed his minority interest in the ownership of Emerald Isle Landscaping.

Mr. Mendisco reported the contract price increased slightly from last year due to the additional work required in PJCOS.

Upon a motion duly made, seconded and, unanimously approved, the Board approved the 2013 Landscape Maintenance and Weed Control Agreement with Emerald Isle Landscaping in the amount of \$52,175 with Director Lamberton abstaining from the vote.

Mr. John Fetters III asked that the District notify him when weed spraying is being conducted. He stated that weed spraying on the 17 mile house property caused him to be sent to the hospital in the past and harms his animals. The 17 mile house property sprayers now call him a day in advance. The Board asked that Mr. Blodgett communicate this same request to Emerald Isle Landscaping for 2013 work.

Other Business

a. Other Business

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Mr. Blodgett noted the requested information regarding an iPad policy for the Board is included in the post packet items. Mr. Mendisco summarized the results of the survey of the Cities of Aurora and Lone Tree and the C-SAFE (Colorado Secure Asset Fund) regarding their policies for Board members' use and retention of iPads.

After discussion, a motion duly made, seconded and, unanimously approved, the Board voted to allow Board members to keep their iPads at the completion of their term. If the Board member leaves before their term expires, the Board will make a determination as to whether the Board member can retain their iPad at that time.

Adjournment

Upon unanimous motion, the Board adjourned the meeting at 8:20 p.m.



Secretary for the Meeting