

RECORD OF PROCEEDINGS

---

**MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
PARKER JORDAN METROPOLITAN DISTRICT  
HELD  
November 13, 2012**

A regular meeting of the Board of Directors (the "Board") of the Parker Jordan Metropolitan District (the "District") was held on November 13, 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  
Cal Lennon  
Mike Cornelsen

Also in attendance were:

Bob Blodgett, Sarah Hunsche and Kevin Collins; CliftonLarsonAllen LLP  
Rick Kron; Spencer Fane & Grimshaw LLP  
Gene Commander; Polsinelli Shughart, P.C.  
Dan Sheldon; United Development Companies, LLC  
Ken Cecil; J3 Engineering  
Steve Bailey, Attorney for J3  
John Feters III, Resident  
David Goldberg; South Creek Investors  
Ken Berendt & Chuck Musgrave; Barker Rinker Seacat Architecture  
David Sprague; OLC Design  
Matt Reynolds; Councilman-Hunsaker  
Christina Plaza & Lisa Fletcher; Essenza Architecture  
Laura Hoepfner; City of Centennial

Call to Order

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

Pledge of  
Allegiance

Ms. Hunsche led the Board and audience in the pledge of allegiance.

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

## RECORD OF PROCEEDINGS

---

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.

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.

Director Lennon reported that he had disclosed his interest as the owner of the home at 16224 E. Phillips Drive within the District.

Consideration  
of Agenda

No changes were made to the agenda.

Public  
Comment

None.

### CONSENT AGENDA

Director Waldron asked that the October 2012 claims be removed from the consent agenda since they had just been provided to the Board. The Board concurred. Mr. Blodgett recommended removal of the audit engagement letter with Simmons and Wheeler since it has not yet been received. The Board concurred.

## RECORD OF PROCEEDINGS

---

Director Cornelsen recommended changes to the October 16<sup>th</sup> and 29<sup>th</sup> Board meeting minutes. The Board concurred.

Upon a motion duly made and seconded, the Board unanimously approved the Consent Agenda, as follows:

- a. Review and Approve Minutes of the October 29, 2012 Special and October 16, 2012 Regular Board Meeting as amended
- b. Review and Approve Minutes of the October 15 and October 12, 2012 Budget Workshop Meetings
- c. Review and Accept November 12, 2012 Cash Position Report
- d. Accept Fiore and Sons Builder's Risk Insurance Policy Information
- e. Ratify Agreement with Mulhern MRE for Community Center and Pool Site Due Diligence Services - \$3,000
- f. Ratify LOI with South Creek Investors, LLC for Community Center and Pool Site Purchase - \$450,000
- g. Information Issues

### **DISCUSSION AGENDA**

PJCOS Stream  
Restoration and  
Open Space  
Reclamation  
Amenity Work

- a. Status of Fiore Request for Additional Compensation - \$863,000

This will be addressed in Executive Session.

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

Mr. Commander recommended that Director Sheldon not attend the Executive Session due to his potential conflict with his son, Mr. Dan Sheldon, Construction Manager for the project. Director Sheldon left the meeting prior to the Executive Session.

Upon a motion duly made and seconded by a unanimous vote at 6:50 p.m., the Board voted to go into Executive Session pursuant to §24-6-402(4)(b) to consult and receive advice from the attorney on specific legal questions and under (e) to develop negotiating positions under attorney-client privileges concerning the Fiore NOI's or request for additional compensation, consultant liability, and related issues.

By unanimous vote at 8:22 p.m. the Board adjourned out of Executive Session.

The Board took no action.

RECORD OF PROCEEDINGS

---

c. Other

None.

Proposed  
Community  
Center and Pool  
Project

- a. Discussion and Possible Action Concerning Engagement Letter with Appraiser for Possible CCP Site(s)

Deferred to the December 18<sup>th</sup> Board meeting.

- b. Discussion and Possible Action Concerning Engagement Letter with Architects for Possible CCP Site(s)

Mr. Dave Sprague presented the qualifications and experience of the OLC Firm. Ms. Lisa Fletcher, Christina Plaza and Matt Reynolds presented the qualifications of the Essenza Architecture team. Finally, Mr. Chuck Musgrave and Ken Berendt presented the qualifications and experience of the Barker Rinker Seacat Architecture services team.

The Board thanked each of the firms for their very professional presentations. They indicated they would discuss the proposal later in the Board meeting.

- c. Discussion and Possible Action Concerning LOI and Purchase and Sale Agreement for a TBD Community Center and Pool Site in the Vicinity of Jordan Road and Broncos Parkway

Mr. Hayne presented his preliminary findings on site 1 (northwest corner of E Jamison Drive and Broncos Parkway), site 2 (southeast corner of Hannibal and Broncos Parkway) and site 3 (southeast corner of Hannibal Extended and Mineral Avenue) to the Board. He indicated it will be approximately three weeks before he can complete his due diligence findings on each of these 3 sites.

Director Waldron noted that he had asked Mr. Blodgett to communicate with the Fetters family to determine if a site might be available within their property on the eastside of the Cherry Creek Regional Trail, south of Tagawa. Mr. Blodgett reported that the Fetters did express an interest in discussing the possible sale of the property to the District.

- d. Executive Session

By a unanimous vote at 8:35 p.m., the Board voted to go into Executive Session pursuant to §24-6-402(4)(b) and (e) to consult with attorney on specific legal questions and to develop negotiating positions, strategy and

## RECORD OF PROCEEDINGS

---

instruct negotiators concerning the offer from South Creek Investors, LLC.

Directors Sheldon and Waldron left the Executive Session at 9:05 p.m. when discussions related to site 1 were to occur.

By unanimous vote at 9:25 p.m. the Board adjourned out of Executive Session.

After discussion, the Board decided that due to floodplain and vehicular access issues, the Board would no longer consider the potential site within the Fetters property. Directors Waldron and Sheldon abstained.

The Board asked Mr. Blodgett to communicate with Mr. John R. Fetters III their appreciation for his consideration of his property and the reasons for the Board's consideration of the other three sites at this time.

Upon a motion duly made, seconded and unanimous vote, abstentions as noted below, the Board authorized Mulhern MRE to prepare due diligence reports on sites 2 and 3 at a cost of \$2,000 each, in addition to site 1, which is already underway. Mr. Hayne indicated he would have the report within 3 weeks. Directors Waldron and Sheldon abstained on this vote.

- e. Discussion and Possible Action Concerning Purchase Agreement with South Creek Investors, LLC for 2 Acres at Northwest Corner of E. Jamison Road and Broncos Parkway - \$450,000

Director Waldron stated he would abstain from the discussion of site 1 due to the fact he is the General Counsel for the Cornerstar Metropolitan District, of which Mr. Goldberg is President. Director Sheldon stated he would abstain from discussion of site 1 since his son, Dan Sheldon is a part owner of the property.

Mr. Goldberg stated he understood the Board was looking at larger sites. He stated he would be willing to sell 3 acres of his property for \$600,000.

Director Cornelsen stated he could not support the community center and pool project on the Goldberg site due to conflicts of interest of the Board President because Mr. Dan Sheldon, son of the Board President is a co-owner of the company that owns the property with Mr. Goldberg.

Director Lamberton stated he supported this site because it was within the District. He did not want to see the District invest District taxpayer funds on a site outside the District's boundaries. He was also concerned about locating a recreation center on a site located on the west side of South Jordan Road. Director Lennon indicated concerns about the South Creek Investors site, but was willing to wait and look at the due diligence report regarding the on and off site development costs in addition to the land

RECORD OF PROCEEDINGS

cost. He noted that the 3 acres on sites 2 and 3 could be as much as 30% less than site 1.

Mr. Goldberg offered to withdraw site 1 from consideration if the conflicts were such a concern to the Board that it might prohibit them from moving forward on his tract. Mr. Sheldon stated he would consider selling his share of ownership in Site 1 in order to remove any perceived or real conflict.

Upon a motion duly made, seconded, the Board unanimously voted to rescind the LOI with South Creek Investors on site 1 for \$450,000 which was previously approved on the Consent Agenda earlier in the meeting. Directors Sheldon and Waldron abstained.

Other Capital  
Projects

- a. Ladera Connection

Deferred to the December 18<sup>th</sup> Board meeting.

- b. 2013 Arapahoe County Open Space Grant Cycle

The Board accepted this information.

Legal

- a. CORA Lawsuit Update

Mr. Kron reported the brief by Mountain Plains Investment Corporation has been provided to the Court of Appeals. It is in the Board meeting packet. The Court oral argument date is tentatively expected to occur in March 2013.

- b. Status of Rules and Regulations for PJCOS

Deferred to the December 18<sup>th</sup> Board meeting.

Financial

- a. Other

None.

Director's Items

- a. Ratify Actions Taken at the October 12 and October 15, 2012 Board Meeting on the Approval of a Payment to Micro Center for iPad Maintenance and Approval of Check Numbers 1510 Through 1516 and Check Number 1503

Following discussion, and upon a motion duly made and seconded, and upon vote, the Board ratified the actions taken at the October 12<sup>th</sup> and October 15<sup>th</sup> Board meetings.

## RECORD OF PROCEEDINGS

---

b. Bookmobile Usage

Deferred to the December 18 Board meeting.

c. Discuss Holiday Dinner – Week of December 10

After discussion, the Board decided to hold their holiday dinner with the Board members, consultants and spouses on Tuesday, December 11<sup>th</sup> at the Brio Restaurant at the Vistas at Park Meadows Mall at 6:00 p.m.

d. Confirm Quorum for Next Meeting – December 18, 2012 at 5:00 p.m.

A quorum was confirmed.

Manager's Items

a. Conduct a Public Hearing to Consider Amending the 2012 Budget; Consider Adoption of Resolution to Amend 2012 Budget

Mr. Collins reviewed the necessary budget amendments with the Board. Director Sheldon opened the public hearing at 10:18 p.m. There was no public comment and he closed the public hearing at 10:19 p.m.

Upon a motion duly made, seconded and, unanimously approved, the Board approved the 2012 Budget Amendment.

b. Conduct Public Hearing to Consider Adoption of 2013 Budget, Appropriate Expenditures and Certify Mill Levies; Consider Adoption of Resolution to Adopt 2013 Budget, Appropriate Expenditures and Certify Mill Levies

Director Sheldon opened the public hearing at 10:20 p.m. There was no public comment and he closed the public hearing at 10:21 p.m. Mr. Collins recommended that the Board shift 2 mills in the Debt Service Fund to the General Fund in the draft budget so that the total mill levy next year would still be 23 mills. Increasing the mills in the General Fund provides the Board flexibility for use of these monies in the Capital Projects Funds or Debt Service Fund depending on the timing of the community center and pool project in 2013. The Board concurred.

Upon a motion duly made, seconded and, unanimously approved, the Board approved the 2013 Budget, appropriated expenditures and certified mill levies with a mill levy of 7 mills in the General Fund and 16 mills in the Debt Service Fund for a total mill Levy of 23 mills, the same as 2012, and authorized Mr. Collins to file the Budget with the Division of Local Government.

RECORD OF PROCEEDINGS

---

c. Approve 2013 Annual Administrative Matters Resolution

Mr. Blodgett reviewed this with the Board. He noted it confirms the current officers of the Board, the current meeting schedule and compensation received by the Board members for Board meetings. Director Waldron stated he met with the SDA pool representatives who indicated that they will consider allowing the District to rejoin the SDA Property and Liability Pool if there is a change made with the President of the District. The SDA Property and Liability Pool is still concerned about the business risk associated with Director Sheldon remaining as President since he was the President approximately 10 years ago when the District sued the Pool for failure to defend the District in a lawsuit.

Director Sheldon stated that the District has received a quote from the District's insurance broker and the District should submit this to the Pool for consideration. Director Waldron expressed his concerns that the Pool Board will deny the application if there is not a different President. Director Sheldon declined to resign as President. No other Board members indicated their willingness to serve as President at this time. After discussion, the Annual Administrative Matters Resolution was deferred to the December 18 Board meeting.

d. 2013 Insurance Options

Mr. Blodgett reported the SDA Pool provided a quote of approximately \$7,000 for 2013, including a cancellation fee of \$800 with the current policy that expires in July of 2013 with a private carrier. The current District policy is \$14,000 which expires in July 2013.

The Board deferred action until determination is made as to whether or not the SDA Property and Liability Pool will insure the District effective January 1. This will be discussed again at the December 18<sup>th</sup> meeting.

Director Sheldon asked Mr. Blodgett to contact the District's insurance broker and ask if a policy can be provided to the District through May of 2014.

Other Business

a. Other Business

None.

RECORD OF PROCEEDINGS

---

Adjournment

Upon unanimous motion, the Board adjourned the meeting at 11:05 p.m.



---

Secretary for the Meeting