

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF ~~THE TRAILMARK METROPOLITAN DISTRICT~~ HELD JUNE 15, 2010

A regular meeting of the Board of Directors of the TrailMark Metropolitan District (referred to hereafter as "Board") was held on Tuesday, June 15, 2010 at 6:30 p.m., at the TrailMark Learning Center, 9743 South Carr Way, Littleton, Colorado. This meeting was open to the public.

ATTENDANCE

In attendance were Directors:

Michael Rogers
Catherine LaClair
Sherman Steed
Jack Parsons
Richard Handley

Also in attendance were:

Cathy Noon; Community Resource Services ("CRS")
Wayne F. Forman; Brownstein/Hyatt/Farber/Schreck
George K. Rowley; White, Bear & Ankele, P.C.
Mark Carlson; T. Charles Wilson Insurance Services
Karen Millspaugh; TrailMark Homeowners Association Board member
Community Members

CALL TO ORDER Director Rogers called the meeting to order at 6:32 p.m.

ADMINISTRATIVE Agenda: Ms. Noon presented the Board with the proposed
ITEMS agenda. Upon a motion by Director LaClair and a second by Director Handley, the Board voted unanimously to approve the agenda as amended to postpone Item IV A to the July 20, 2010 Regular Board Meeting.

Minutes: The minutes of the May 18, 2010 Regular Board meeting and the June 8, 2010 Special Board Meeting were presented to the Board. Upon a motion by Director Handley and a second by

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Director Steed, the Board voted unanimously to approve the May 18, 2010 minutes. Upon a motion by Director Steed and a second by Director Handley, the Board voted unanimously to approve the June 8, 2010 minutes as amended.

Public Comments: Ms. Millspaugh spoke on the June 8, 2010 joint meeting with the TrailMark HOA and the TrailMark Metropolitan District. She suggested that HOA and TMMD Board members attend each meeting and give reports back to each entity. The Board discussed the joint meeting and how future meetings might run.

Ms. Millspaugh further informed the Board that the HOA Safety Committee had looked into security cameras for the neighborhood. The City of Littleton will not allow cameras to be mounted on their poles. The HOA is giving the neighborhood security issue back to the District.

BRIEFING ON WATER RIGHTS

Mr. Forman gave background on the District's water rights and legal proceedings to date.

EXECUTIVE SESSION

Pursuant to Section §24-6-402(2)(d.5)(II)(B) of the Colorado Revised Statutes, upon motion duly made by Director Handley, seconded by Director LaClair and, upon an affirmative vote of at least two-thirds of the quorum present, the Board convened into executive session at 7:52 p.m. for the purposes of discussing water rights litigation pursuant to Section 24-6-402(4)(b), C.R.S. All of the Executive Session constituted a privileged attorney-client communication as provided by §24-6-402 (4) (b), C.R.S. and that pursuant to §Section 24-6-402(2)(b), C.R.S. or §24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication. See attached attorney statement. Upon a motion made by Director LaClair and, upon an affirmative vote of at least two-thirds of the quorum present, the Board reconvened the regular meeting at 8:15 p.m.

WATER RIGHTS

Upon a motion by Director LaClair and a second by Director Parsons, the Board voted unanimously to actively participate in the Denver Botanical Gardens water rights case and further authorized Mr. Forman to act on the District's behalf.

INSURANCE PRESENTATION

Mr. Carlson with T. Charles Wilson Insurance Services gave an update to the Board on the District's present coverage and items specific to special districts.

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Discussion of TMMD Property Insurance: After discussion, it was determined that the TrailMark HOA will look into carrying all property coverage with the District sharing these costs and bring this information to a future Board meeting. It was noted that both entities have liability coverage.

MAINTENANCE AND OPERATIONAL ITEMS

Update on Maintenance Responsibility Agreement: This item was postponed until the July 20, 2010 Board meeting.

Discussion Regarding Items Requiring Attention by Rick Kinkel:
The Board reviewed three proposals for weed management. Upon a motion by Director Steed and a second by Director Handley, the Board voted unanimously to authorize Director Parsons to work with Mr. Kinkel to choose a contractor for weed spraying at a cost not-to-exceed \$5,000. The Board indicated their desire to meet with Mr. Kinkel and, at that time, compile a list of projects for him.

LEGAL ITEMS

Executive Session: This session was conducted earlier in the meeting.

Mr. Rowley to Address the Board:

- Impact of Ballot Initiatives 60, 61 and 101: Mr. Rowley briefly explained the content of each initiative. The Board will discuss how the initiatives impact the District at a future Board meeting.
- Preliminary Discussion Regarding Creation of By-Laws: A draft set of TMMD by-laws were distributed. The Board discussed items they would like included in the by-laws such as meeting times and location, and how the District runs. Upon a motion by Director LaClair and a second by Director Handley, the Board voted unanimously to form a by-laws subcommittee. Upon a motion by Director LaClair and a second by Director Parsons, the Board voted unanimously to appoint Adrian Von Donkaleer, Patty Durso, Mike Rogers and Richard Handley to this subcommittee.
- Meeting Posting Requirements: Mr. Rowley clarified that the notices need to be posted 72-hours (not calculated by business days) prior to the meeting date.

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Board Questions to Mr. Rowley:

- Mr. Rowley indicated draft minutes could be posted on the District website. The Board asked that this item be placed on the July 20, 2010 meeting agenda.
- Mr. Rowley indicated that an email distribution list maintained by the TMMD would be subject to an open records request. The Board asked that this item be placed on the July 20, 2010 meeting agenda.

CAPITAL IMPROVE- MENTS

Discussion Regarding Hold on Sink Combs Dethlefs Contract -

The Board discussed the contracts currently on hold with Sink Combs Dethlefs and Dennis Rodriguez. Upon a motion by Director Handley and a second by Director LaClair, the Board voted 4 – 1, with Director Steed opposing, the motion to terminate the Sink Combs Dethlefs contract. Upon a motion by Director LaClair and a second by Director Steed, the Board voted unanimously to terminate the contact with Dennis Rodriguez. Ms. Noon was directed to contact Mr. Rowley to draft the cancellation notices per the contract specifications.

The Board felt ideas from the community for possible projects should be shown to have community support prior to any action by the Board on behalf of the District.

FINANCIAL ITEMS

Review and Approve Payment of Claims: After review, upon a motion by Director Steed and a second by Director LaClair, the Board voted unanimously to approve the claims as submitted.

Review Cash Position: Ms. Noon reviewed the cash position with the Board for the period ending May 31, 2010 and the Board accepted the cash position as presented.

Financial Statements - Ms. Noon reviewed the financial statements dated May 31, 2010. After review, the Board accepted the financial statements as presented.

OTHER BUSINESS

Discuss Meeting Dates for Saturday Meeting with the Board - This item has been tabled until the July 20, 2010 Board meeting.

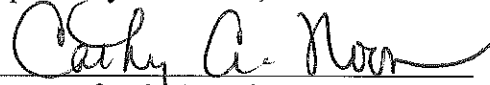
Board Member Orientation: The Board asked that Ms. Blair with CRS of Colorado propose dates and content for the orientation and communicate this to the Board through email.

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ADJOURNMENT

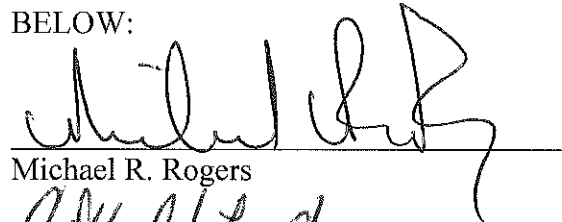
There being no further business to come before the Board, upon motion duly made by Director Parsons, seconded by Director LaClair, and passed unanimously, the meeting was adjourned at 10:05 p.m.

Respectfully submitted,



Secretary for the Meeting

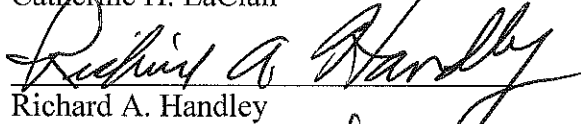
THESE MINUTES ARE APPROVED AS THE OFFICIAL JUNE 15, 2010 MINUTES OF THE TRAILMARK METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING BELOW:



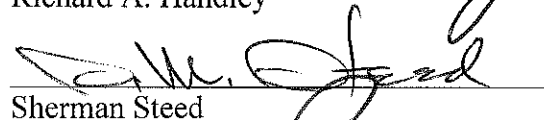
Michael R. Rogers



Catherine H. LaClair



Richard A. Handley



Sherman Steed



Jack Parsons

**ATTORNEY STATEMENT
REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION**

Pursuant to §24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing TrailMark Metropolitan District, I attended the executive session meeting convened at 7:52 p.m. on June 15, 2010 for the sole purpose of discussing water rights litigation as authorized by §24-6-402(4)(b) C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by §24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to §24-6-402(2)(b), C.R.S. or §24-6-402(2)(d.5)(II)(B), C.R.S.

George M. Rowley
Signature

George M. Rowley, general counsel
Name and Title

6/17/2010
Date

MEETING DATE: 06.15.10

[illegible]