

**GENESEE FOUNDATION
BOARD MINUTES
June 8, 2005**

The Genesee Foundation Board of Directors met on Wednesday, June 8, 2005 at the Vista Club House. Board President, Lynn Bartsch called the meeting to order at 6:35 p.m.

ATTENDING:

Barbara Actor	Mike Losasso
Gary Anderson	Anne Sherwood
Lynn Bartsch	Gene Tanski

NOT ATTENDING:

John Siegesmund

APPROVAL OF MINUTES

Barbara Actor moved approval of the May 4, 2005 Board meeting minutes. The motion was seconded by Gary Anderson and unanimously approved.

Mike Losasso requested that an account of votes on motions be included in Board meeting reports submitted to the Genescene.

CORRESPONDENCE

Anne Sherwood reported on two communications sent to the Board:

- Resident Hillary Miller regarding developing programs to create a greater sense of community in Genesee. Response: Barbara Actor and Anne Sherwood met with Ms. Miller to discuss opportunities to bring people together. The first event is an Ice Cream Social scheduled for June 22nd from 6:30 p.m. to 8:00 p.m.
- Non-resident Joe Chorny regarding development plans for the Air Force property. Response: Referred this to Bruce Epstein with a request that he contact Mr. Chorny.

RESIDENT OPEN COMMENT

None at this time.

MANAGEMENT REPORT

Dwarf Mistletoe Plan: The Open Space Manager's Report has been reviewed with the Forestry and Open Space Committee, resulting in general agreement with the proposed plan to focus on Areas 3 and 4. Comments from members ranged from concern about the impact of potential heavy thinning to the need for an approach attacking the root of the problem rather than merely treating symptoms. Strategies for resident education include articles in the Genescene, information on the website, mistletoe walk on Current Drive, and community meetings.

Board Minutes June 8, 2005

Gary Anderson moved that the \$40,000 budgeted Dwarf Mistletoe funds be dedicated to prescriptions for the two highest priority areas outlined in the Open Space Manager's recommended action plan, beginning with Area 3 in Filing 8 and then as funding permits, continuing in Area 4 in Filing 9. The motion was seconded by Anne Sherwood.

Discussion on the motion followed: Gene Tanski recommended delaying any allocation of funds to Area 4 and suggested that any funds left over from the work on Area 3 be retained. Mr. Tanski expressed concern regarding the potential of a budget shortfall and a possible assessment increase for next year. Mike Losasso concurred stating that one of the greatest concerns in the community is the rate of increase in resident fees. Resident Scott Jacobs inquired about mistletoe management success stories throughout the state.

Gary Anderson moved the previous question. The motion was seconded by Anne Sherwood and approved 4-2. (Voting for: Actor; Anderson; Bartsch; Sherwood. Voting against: Losasso; Tanski). The previous question was voted on and approved 4-2. (Voting for: Actor; Anderson; Bartsch; Sherwood. Voting against: Losasso; Tanski)

Authorization for Expenditure: Anne Sherwood moved approval of AFE 05-R-242 for expenditure of \$7,000 budgeted out of Reserve Funds for year three of a five year project to replace mailbox structures. The motion was seconded by Barbara Actor and approved unanimously.

Project Timeline: Anne Sherwood distributed a management project timeline related to 2005 Board goals. (See attached)

Operation of Toy Vehicles: Carla Andrews distributed a communication from the Jefferson County Sheriff's office regarding the definition and operation of motorized bicycles and toy vehicles. (See attached) She cautioned that if Board policy would permit the operation of toy vehicles on private roads, the Foundation insurance carrier would only cover one incident claim.

Following a discussion of various options, Barbara Actor moved that the Board prohibit the use of motorized toy vehicles on Foundation private roads. The motion was seconded by Mike Losasso and unanimously approved.

BOARD LIAISON REPORTS

GEM Committee: Gary Anderson reported that the first informational communication to residents will go out in July.

Forestry & Open Space Committee: Barbara Actor reported that the Seedhead seedling sale was a sold out success. The committee agreed to undertake the

development of a 1-2 page dwarf mistletoe information piece to educate residents on what they can do on their private property.

Board Minutes June 8, 2005

Finance Committee: Gary Anderson reported that the Foundation received a “clean” review of the 2004 financial books. The review was conducted by the BKD, LLP audit firm. He also reported that 2005 first quarter results are on track with respect to budget. The committee expects to deliver recommendations regarding the investment policy for Board approval at the July meeting.

Governance: Anne Sherwood reported that SB 05-100 has been signed by the Governor. Management has drawn up a task list of policies that will need to be addressed to insure the Foundation is in compliance.

Inter Board: The next meeting of the Inter Board is scheduled for June 22, 2005 at the Genesee Fire House.

Water District: Gary Anderson commented that further discussion with Water District legal counsel regarding the school site property indicates that if the School District would choose to sell the property to a developer and the developer wanted water rights, the Water District would have to honor the request. The result is that the Foundation would not have any advantage in lower valuation of the land.

Regarding the reservoir project, Gene Tanski reported that representatives from the Kittredge and Idledale communities attended a recent meeting of the Water Board to present a formal protest over the proposed reservoir site, citing that the decision to do so was environmentally insensitive to their communities.

Mr. Tanski then moved that the Board approve the following resolution:

The Genesee Foundation By-Laws direct the Foundation and its board of directors to provide for the right and obligation as to the General Common Property and “to protect and defend the property from loss and damage by suit and otherwise.”

The District Court for Jefferson County presiding over the pending domain proceeding has found evidence of “inadequate representation by the Foundation” in the matter of the condemnation suit of Foundation property for use as the Lower Alternate Dam proposed site.

Therefore, in order for the Foundation to live up to its fiduciary responsibility as stated in the bylaws of the Foundation, and now, as defined by the Jefferson County District Court (and, in part, based upon the representations of the Board’s own lawyer that the Board was representing its membership in that suit), we, the Board of Directors of the Genesee Foundation, make the following specific requests of the Genesee Water and Sanitation District:

1. *Given the submission of a credible quote from a credible contractor (SEMA) for the construction of the reservoir and pumping infrastructure for the cost of US\$3.7 million at the Ralston site, the GWSD should immediately engage in negotiations and due diligence*

to confirm these figures and re-evaluate their objection to conducting an optimized study of the Ralston site.

Board Minutes June 8, 2005

- 2. Given the formal protests from our neighbors in Idledale and Kittredge, the expressions of concern by more than 130 members of the Foundation, who have signed a petition on the subject, and the expressions of concern by the homeowner associations which represent the entire population of Genesee Village (approximately 300 to 500 people), the GWSD should immediately halt any activity that creates further environmental and visual damage to the Foundation land visible to our neighbors until all protests, condemnation hearings, and final decisions have been resolved and, depending upon the resolution of the same, should put off further testing, design and other related work of the so-called lower alternate site.*

The motion was seconded by Mike Losasso.

Anne Sherwood stated that until she had reviewed the Court's findings, she was not in a position to consider the resolution. Resident Jay Horowitz provided comment on the impact of the Court's decision and urged the Board to take action.

Lynn Bartsch moved that the motion be tabled pending consultation with legal counsel in executive session. The motion was seconded by Anne Sherwood and approved 4-2. (Voting for: Actor; Anderson; Bartsch; Sherwood. Voting against: Losasso; Tanski)

OLD BUSINESS

Bear Creek Highlands Road: Gary Anderson recommended that budgeted funds be used to pay for a guardrail replacement that meets code and is backed by wood. Commenting that the residents living on Bear Creek Highlands favor a more aesthetic, but more expensive guard rail, he further recommended that they be permitted to contribute money to make up the difference. Given consensus to proceed, he will talk to the residents and report back to the Board in July.

ARC Revisions: ARC Chair Chris O'Dell reported that a final draft of the ARC revisions have been delivered to the Board for review and comment at the July Board meeting. He further reported that with the exception of the guidelines related to fire training on private property, the Re-Write Committee achieved absolute consensus on the document. Mr. O'Dell requested that the Board review the document and communicate any questions or concerns to him prior to the July Board meeting. Community input sessions are planned for July and August.

Mr. O'Dell referred to a letter to the Board identifying potential changes to the Declarations and existing policies that the Re-Write Committee recommends that Board attempt to implement.

NEW BUSINESS

Election Chronology: Anne Sherwood moved adoption of the 2005 Election Chronology. The motion was seconded by Gary Anderson and unanimously approved.
(See attached)

Board Minutes
June 8, 2005

Board Survey: Gary Anderson commented that in a 1998 survey, residents indicated that the Board should survey the community every three years. The most recent survey, focusing on recreational amenities, was conducted in 2001. As it has been seven years since the Board undertook a general survey, Mr. Anderson suggested that it would be appropriate to consider doing so this year.

He further commented that the GEM Committee has a strong interest in assisting the Board in developing a general survey with a special section related to the Genesee ecological system. Should the Board decline to undertake a general survey this year, Mr. Anderson suggested that the Board could allow GEM to conduct limited survey focusing on management of the ecosystem management.

Following discussion of concerns regarding conducting a comprehensive survey this year, Mr. Anderson moved that the GEM Committee draft a limited survey to solicit community feedback on GEM related activities and further that costs related to said survey be funded by funds already allocated to the GEM Committee. The motion was seconded by Anne Sherwood and unanimously approved.

OPEN COMMENT

Mary Lou Jones expressed concern that trash cans put out the night before pick-up as well as trash cans stored behind wooden fences are attracting wildlife to rummage in them.

ADJOURNMENT

There being not further business, the meeting was adjourned at 9:55 p.m.

Anne Sherwood, Board Secretary