

**MINUTES OF THE REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF  
GREENWAY FIELDS HOMES ASSOCIATION**

**July 27, 2010  
7:00 p.m. – 9:05 p.m.  
Joe Groebl's House**

**Attendance**

- Present: Gina Valentino, Joe Groebl, Mike McAdam, Jennifer Martin, Philip Bouillette, Barbara Martin, Aaron House, Ryan Felton, Wendy Trainor

**Agenda**

- The Board voted unanimously to approve the Agenda attached hereto as **Exhibit A**.

**Old Business**

- Meeting Minutes
  - June 22, 2010 Board Meeting Minutes
    - The board voted unanimously to approve the minutes as amended.
- Update on Strawn Park Trash Pickup
  - The transition to Brookside Pet Concierge has gone well.
- Strawn Park Sign
  - Gina Valentino showed the Board a revised sign design from Swell Sign that incorporated changes requested by the Board at the last meeting. The Board voted unanimously to approve the purchase and installation of a 2' x 2' sign.
- Block Captain Meet & Greet
  - Karen Grover has offered several dates when she would be available to host this event. The weekend of August 21-22 seems the most likely possibility; Wendy Trainor will coordinate this with Karen.

**New Business**

- Website Committee
  - Ryan Felton reported that the structure of the website is in place and ready to be updated. Committee members are working on content for the website.
- Management Agreement between GFCID and GFHA
  - Aaron House presented a revised agreement which incorporated the changes requested at the last Board meeting. The CID adopted the management agreement at its recent Board meeting. The GFHA voted unanimously to adopt the management agreement, with Aaron House abstaining. The agreement is attached as **Exhibit B**.
- Conflict of Interest Policy
  - Aaron House presented a Conflict of Interest policy for the GFHA Board; it mirrors IRS language for non-profits. The Board voted unanimously to adopt the agreement as amended. Each Board member needs to sign an Acknowledgement of Receipt of this agreement annually; Jennifer Martin will collect the signed Acknowledgements of Receipt at the August 24 Board meeting. The Conflict of Interest Policy and Acknowledgement of

Receipt are attached to these minutes as **Exhibit C** and **Exhibit D**, respectively.

- GFNCID Update
  - The GFNCID had its first Board meeting; Ryan Felton gave a report on this meeting.
  - The GFHA Board discussed the financial relationship between the GFHA and the GFNCID and some of the practical implications. The GFNCID will obtain D & O insurance provided by West Bend Mutual.
- Rain/Flood Issues
  - U.S. Rep. Emanuel Cleaver II has written a letter that says the City of Kansas City is in violation—it has neglected the sewers; per his letter, the City cannot continue to call the flooding an Act of God.
  - There will be a neighborhood meeting concerning the recent flooding on 8/7 at Amy Hart's house, 6325 Valley, at 7:00 p.m. The City councilwomen representing our district will be there.
- Finances
  - Philip Bouillette gave a "State of the Treasury" report as of 6/30/2010. The GFHA is in good shape so far and is on track to end the year with a surplus in the account.
  - The Board discussed whether we should use some of this money to pay for one or both of the upcoming security billings remaining in calendar year 2010. The Board decided to bill at least one more security billing and decided to re-evaluate a third security billing as the year progresses.
  - Update on administrative fee with HAKC. Philip and Gina will meet with HAKC to discuss how they envision the accounting will work with the CID in place.
- Southwest High School
  - 8 Committees: Fifi Wiedeman, of the New Dime Store, is organizing eight committees to help ease the transition as Southwest High School re-opens and welcomes the new students who will be arriving from Westport High School and other schools.
  - August 6 at 8:45 will be a neighborhood Welcoming of the Faculty
  - Opportunity Knocks Door-to-Door Campaign: Southwest students will be going door-to-door in the neighborhood to introduce themselves.

### **Board Meetings**

- August location: Wendy Trainor intends to host the 8/24 meeting.

### **Adjournment**

- The Board voted unanimously to adjourn the meeting.

**EXHIBIT A**  
**AGENDA**

**Greenway Fields Homes Association: Board of Directors Meeting**  
**Tuesday, July 27, 2010**  
**7:00pm, Joe's house: 427 Greenway Terrace**

**Agenda**

1. Approve Agenda
2. Old Business
  - a. June 22nd Meeting Minutes for approval (Jennifer)
  - b. Update on Strawn Park Trash Pickup
  - c. Strawn Park Sign
  - d. Karen Grover offered to host Block Captain meet & greet
  
3. New Business
  - a. Website Committee (Ryan)
  
  - b. GFNCID update
  
  - c. Rain/Flood Issues
    - i. City
    - ii. Neighbors
    - iii. Meeting on Wed., Aug 7<sup>th</sup>, 7pm, Amy Hart 6325 Valley
  
  - d. Finances (Philip)
    - i. 6/30/2010 State of the GFHA Treasury Update
    - ii. 2nd Security billing
  
  - e. Southwest High School (Gina)
    - i. 8 Committees (Fifi Wiedeman: fwiedeman @gmail.com)
    - ii. August 6<sup>th</sup> Welcoming of Faculty (8:45am: jillj.coughlin @gmail.com)
    - iii. Opportunity Knocks Door-to-Door Campaign
  
4. Board Meetings
  - a. August location
  - b. 4<sup>th</sup> Tuesday (4/27, 5/25, 6/22, 7/27, 8/24, 9/28, 10/26, 11/23, 12/28)
  
5. Adjournment

## EXHIBIT B

### MANAGEMENT AGREEMENT

This MANAGEMENT AGREEMENT (this "Agreement") is made this 27<sup>th</sup> day of July, 2010, by and between GREENWAY FIELDS NEIGHBORHOOD COMMUNITY IMPROVEMENT DISTRICT (the "District") and GREENWAY FIELDS HOMES ASSOCIATION, a Missouri nonprofit corporation (the "Manager").

### RECITALS

WHEREAS, the District was formed on October 29, 2009, by Ordinance Number 090890, adopted by the City Council of the City of Kansas City, Missouri;

WHEREAS, the District is a public body created under the authority of the Missouri Community Improvement District Act, RSMo. §§ 67.1401 to 67.1571, as amended from time to time (the "Act");

WHEREAS, pursuant to RSMo. § 67.1461 of the Act, the District may enter into contracts with public and private entities;

WHEREAS, the powers of the District are enumerated in RSMo. § 67.1461 of the Act; and

WHEREAS, the District desires to engage the Manager to carry out and perform some of its powers as more fully described in this Agreement

NOW, THEREFORE, in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Appointment of Manager, Term.** The District hereby contracts with the Manager to manage the District and the public areas contained in the District (the "Property") for a period of 1 year, commencing on September 1, 2010, and renewing thereafter for one-year periods, unless either party terminates this Agreement pursuant to Section 8.

2. **Duties of Manager.** The Manager shall manage the Property in a good, proper and efficient manner and upon the terms herein provided and provide the following services in the name of and on behalf of the District, and District hereby gives Manager the authority and powers required to perform these services:

2.1 **Disbursements.** Manager shall pay from the funds of the District, in accordance with the provisions of this Agreement, all charges and obligations incurred by the District with respect to maintenance or operation of the Property, including Manager's fees as set forth in this Agreement, and all charges incurred by the Manager on behalf of the District pursuant to the terms of this Agreement or pursuant to other authority granted by District.

2.2 **Management Generally.** Manager shall operate, maintain, repair and otherwise manage the Property in accordance with the Budget (as defined below). Manager shall make or cause to be made such repairs, improvements and alterations and shall purchase such supplies and equipment as may be advisable and necessary from time to time, and Manager may make all purchases and contracts pursuant to these duties in the name of and at the expense of District. Notwithstanding any other provision of this Agreement to the contrary, Manager has no authority or responsibility for maintenance of or repairs to individual dwelling units in the Property. Such maintenance and repairs shall be the sole responsibility of the owners individually. Manager shall do anything else reasonable and necessary to manage hereunder, as determined by Manager.

2.3 **Employees and Contractors.** Manager shall hire or contract in its own name all persons necessary for the efficient discharge of its duties hereunder respecting the management, operation, maintenance and repair of the Property. Such persons shall not under any circumstances be considered to be employees of District. The District shall reimburse Manager for the costs of such persons.

2.4 **Contracted Services.** Manager shall retain and coordinate the services of all accountants, attorneys, contractors and other persons necessary or appropriate to carry out the duties of Manager. Charges and fees of such persons shall be expensed against the District's funds. In no event shall Manager enter into a contract with a term of one year or longer without the express written consent of the District. Manager is an independent contractor of the District.

2.5 **Insurance.** The Manager shall maintain in full force and effect appropriate business insurance, including coverage for its board of directors.

2.6 **Books and Records.** Manager agrees to keep complete and true books of account in which shall be entered fully and accurately each and every transaction with respect to the operation of the Property. Manager additionally agrees to keep on behalf of District all correspondence, documents and data related to the Property acquired in course of Manager's duties under this contract. Such books shall be maintained at an office of Manager and each party and/or its authorized representative shall at all reasonable times have access to such books for the purpose of inspection and making reproductions thereof. Such books shall be the property of the District and shall be surrendered to the District upon the termination of Manager in accordance with other provisions of this Agreement. Such books shall be kept on the basis of such account year (calendar or fiscal) as District shall direct and may, at the request of the District be audited by a certified public accountant selected by District at the closing of such year, upon termination of this Agreement and/or at other times as District may direct. The cost of any such audit shall be borne by District. Such books and records shall be kept in accordance with generally accepted accounting principles.

2.7 **Budget.** Manager agrees to prepare and submit annually to District, no later than 1 month prior to the close of each fiscal year of the District ("Fiscal Year"), the following year's budget (the "Budget") for the Property. When approved by the District, the Manager shall implement the Budget and shall be authorized, without the need for further approval, to make expenditures and incur obligations of the type and nature

provided for in the Budget; provided, however, that District reserves the right to modify the Budget from time to time as to unexpended and uncommitted amounts with notice to Manager. Manager shall not exceed any Budget line item by \$1,000 or more without the express consent of the District except in the case of an emergency.

2.8 **Annual Statements.** As soon as reasonably practicable after the close of each Fiscal Year but in no event later than 60 days after the close of each Fiscal Year, Manager shall cause to be prepared and furnish to District a summary of all receipts and expenditures for the preceding year. If required by District, such financial statement shall be certified in the customary manner by a firm of independent certified public accountants; provided, however, that the cost of such audit and certifications shall be charged as an operating expense of the Property and shall not be borne by Manager.

2.9 **Compliance with Laws.** The Manager shall comply with all applicable present and future laws, ordinances, orders, rules, regulations of all federal, state and municipal governments, which may be applicable to the Property and the operation and management thereof; provided that District represents that to the best of its knowledge that the Property presently complies with all such requirements and Manager has no liability and is given no responsibility for presently existing violations except to notify District thereof or to forward to District promptly any complaints, warnings, notices, or summons received by Manager relating to such matters.

3. **Bank Accounts.** All funds held by the Manager with respect to the Property and/or this Agreement shall be maintained in the District's account (the "Account") unless District shall direct otherwise. Manager is authorized to pay the charges and expenses, including Manager's fees under this Agreement, from the Account.

4. **Limitation on Expenditures.** In discharging its responsibilities hereunder, Manager shall not make any one expenditure exceeding the sum of \$5,000; or incur liabilities, direct or contingent, which during any calendar month exceed the aggregate of \$5,000 or any liability exceeding \$5,000 maturing more than one year from the creation thereof; without, in all such cases, the prior consent of the District, provided that no such consent will be required to pay or reimburse any of Manager's fees, charges and expenditures that are budgeted in the Budget, which has been approved by District, or reimbursements hereunder. Notwithstanding the limitations imposed by the preceding sentences, Manager may, on behalf of District, without prior consent, expend any amount or incur a contractual obligation in any amount required to deal with emergency conditions which may involve a danger to life or Property or may threaten the safety of the Property or the owners and occupants or may threaten the suspension of any necessary service to the Property.

5. **Bankruptcy, Insolvency.** In the event a petition in bankruptcy is filed by or against District, or in the event it shall make an assignment for the benefit of creditors or take advantage of any insolvency act, either party hereto may terminate this Agreement by providing written notice to the other. Upon termination, the parties shall account to each other with respect to all matters outstanding as of the date of termination, and the District shall furnish to the Manager security reasonable but satisfactory to Manager or as may be determined by any court of law having jurisdiction thereof against any outstanding

obligations or liabilities which the Manager may legally, reasonably and necessarily have incurred on behalf of the District.

6. **Management Fee.** District shall pay Manager a management fee of \$3,450 per year, which shall be paid by March 1 of each year this Agreement is in effect.

7. **Assistance with Claims.** Should any claims, demands, suits or legal proceedings be made or instituted against District in connection with the Property, Manager shall give to District all reasonable information for, and shall assist in, the defense thereof without additional payment for such services; provided, however, that Manager shall not be responsible for payment of the cost of defense of any such claims, demands, suits or legal proceedings.

8. **Termination.** This Agreement may be terminated by District, without just cause or for any reason whatsoever by giving Manager no less than 60 days prior written notice. Manager may terminate this Agreement without just cause or for any or no reason whatsoever by Manager giving District no less than 60 days prior written notice. This Agreement may be terminated by consent of the parties in writing as of the end of any calendar month.

## 9 **Indemnity and Subrogation.**

9.1 Subject to Section 9.4, District agrees to indemnify and hold harmless Manager from and against any and all claims, damages, demands, costs or expenses, and including reasonable attorney's fees (collectively, "Losses") arising out of Manager's performance of its duties; provided, however, in no event shall the District be obligated to indemnify and hold harmless the Manager for any such Losses arising from (i) Manager's violation of any constitutional provision, statute, ordinance, law or regulation of any governmental subdivision in any capacity other than as representative of District; (ii) Manager's gross negligence in its performance hereunder or willful or wanton conduct; (iii) claims against Manager by one of its own Managers or employees; or (iv) conduct outside the scope of Manager's authority under this Agreement.

9.2 Subject to Section 9.4, Manager agrees to indemnify and hold harmless District, its representatives, its affiliates and each of their respective successors and assigns from and against any and all Losses or claim for damages, in any way arising out of (i) gross negligence, bad faith, willful misconduct, or criminal conduct of Manager, its Managers or employees; (ii) any failure of Manager to promptly perform in any material respect any of its obligations under this Agreement, provided such failure was not caused by District; or (iii) Manager's conduct outside the scope of its authority under this Agreement.

9.3 The indemnities in this Section 9 shall survive the expiration or termination of this Agreement.

9.4 To the extent that District or Manager are insured under insurance policies carried by District or Manager (or required to be carried by District or Manager hereunder) for losses sustained by them related to damages sustained by them as a result of any damage to the Property, improvements to the Property, or personal property within the

Property, each party waives its right of recovery against the other and agrees that no party shall have any right of recovery against the other by way of subrogation or assignment. District and Manager agree to obtain a waiver of subrogation from the respective insurance companies which have issued policies of insurance covering all risk of direct physical loss and to have the insurance policies endorsed, if necessary, to prevent the invalidation of the insurance coverages by reason of the mutual waivers.

10. **Nonliability of Manager for Certain Violations.** It is mutually understood that Manager does not assume and is given no responsibility for compliance of any building on the premises or of any equipment or facilities therein with the requirements of any statute, ordinance, law or regulation, or any governmental body, or any public authority or official thereof having jurisdiction except to notify District promptly or to forward to District promptly any complaints, warnings, notices or summons received by it relating to such matters. District authorizes Manager to allow inspection of the premises by any such official of any governmental body or public authority having authority to do so and agrees to indemnify and hold harmless Manager, its representatives and employees from all loss, cost, expense and liability whatsoever which may be imposed on them or any of them by reason of present or any future violation or alleged violation of such laws, ordinances, statute or regulation, unless such action is the result of negligence or misconduct on the part of Manager or its officers, representatives or employees.

11. **Termination for Law Violation.** In the event that it is alleged or charged that the Property or any equipment herein or any act or failure to act by the District with respect to the Property or the sale, rental, or other disposition thereof or the hiring of employees to manage it fails to comply with, or is in violation of any of the requirements of any constitutional provision, statute, ordinance, law, or regulation of any governmental body or any order or ruling of any public authority or official thereof having or claiming to have jurisdiction thereover, and the Manager in its sole and absolute discretion considers that the action or position of the District with respect thereto may result in damage or liability to the Manager, the Manager shall have the right to cancel this agreement at any time by written notice to the District of its election to do so, which cancellation shall be effective upon the service of such notice. Such cancellation shall not release the indemnities of the District set forth in Section 9 above and shall not terminate any liability or obligation of the District to the Manager for any payment, reimbursement, or other sum of money then due and payable to the Manager hereunder.

12. **Notices.** All notices, demands, District's approvals or consents or requests, provided for or permitted to be given in this Agreement, must be given in writing. All notices, demands and requests to be sent to District shall be deemed to have been properly given or served by depositing the same in the United States mail, addressed to District, postage prepaid and registered or certified with return receipt requested at the following address:

Greenway Fields Neighborhood Community Improvement District  
c/o Homes Associations of Kansas City  
4200 Somerset Drive, Suite 216  
Prairie Village, Kansas 66208

All notices, demands and requests to be sent to Manager shall be deemed to have been properly given and served by depositing same in the United States mail, addressed to Manager, postage prepaid and registered or certified with return receipt requested at the following address:

Greenway Fields Homes Association  
c/o Homes Associations of Kansas City  
4200 Somerset Drive, Suite 216  
Prairie Village, Kansas 66208

13. **Miscellaneous.** This Agreement shall be binding upon the parties hereto, their successors and assigns. This Agreement shall not be changed orally, but shall be changed only by written agreement, signed by Manager and District. Nothing contained in this Agreement, or in the relationship between Manager and District shall be deemed to constitute a partnership, joint venture or any other relationship between them except of principal and independent contractor, because Manager at all times shall be deemed and is an independent contractor for the purposes of this Agreement. This relationship being personal in nature and in purpose, Manager cannot transfer or assign this Agreement or its rights, duties or obligations hereunder without the prior written consent of District in its sole discretion.

14. **Waiver.** No consent or waiver, express or implied, by either party hereto or of any breach or default by the other party in the performance of the other of its obligations hereunder shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party of its rights hereunder.

15. **Severability.** If any provision of this Agreement or the application thereof to any person or circumstance shall be invalid or unenforceable to any extent, the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

16. **District Contact.** District shall designate a single individual who shall be authorized to deal with the Manager on any matter relating to the management of the Property. The Manager is directed not to accept directions or instructions with regard to the management of the Property from anyone else. In the absence of any other designation by the District, the President of the Board of Directors shall have this authority.

17. **Amendments.** No amendment, modification, or restatement of this Agreement shall be effective unless it is in writing and signed by the Manager and the District.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and date first above written.

**GREENWAY FIELDS NEIGHBORHOOD  
COMMUNITY IMPROVEMENT DISTRICT**

By: \_\_\_\_\_  
Name: Wendy M. Trainor  
Title: District Manager

**GREENWAY FIELDS HOMES ASSOCIATION**

By: \_\_\_\_\_  
Name: Gina M. Valentino  
Title: President

## **Exhibit C**

# **CONFLICT OF INTEREST POLICY OF GREENWAY FIELDS HOMES ASSOCIATION**

## **ARTICLE I PURPOSE**

The purpose of this Conflict of Interest Policy (this “Policy”) is to protect the interests of Greenway Fields Homes Association (the “Association”) when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of the Association or might result in a possible excess benefit transaction. This Policy is intended to supplement, but not to replace, any applicable state and federal laws governing conflicts of interest applicable to nonprofit and charitable organizations.

## **ARTICLE II FINANCIAL INTEREST**

A person has a financial interest (a “Financial Interest”) if the person has, directly or indirectly, through business, investment, or family: (i) an ownership or investment interest in any entity with which the Association has a transaction or arrangement; (ii) a Compensation arrangement with the Association or with any entity or individual with which the Association has a transaction or arrangement; or (iii) a potential ownership or investment interest in, or Compensation arrangement with, any entity or individual with which the Association is negotiating a transaction or arrangement.

A Financial Interest is not necessarily a conflict of interest. Under Section 3.2, a person who has a Financial Interest may have a conflict of interest only if the Board of Directors of the Association (the “Board”) decides that a conflict of interest exists.

## **ARTICLE III PROCEDURES**

### **3.1 Duty to Disclose**

In connection with any actual or possible conflict of interest, any director or officer who has a Financial Interest (an “Interested Person”) must disclose the existence of the Financial Interest to the Board and be given the opportunity to disclose all material facts relating to the proposed transaction or arrangement.

### **3.2 Determining Whether a Conflict of Interest Exists**

After disclosure of the Financial Interest and all material facts, and after any discussion with the Interested Person, such Interested Person shall leave the Board meeting while the Board discusses the potential conflict of interest and determines whether a conflict of interest exists.

### **3.3 Procedures for Addressing the Conflict of Interest**

- a. After the Board has determined that a conflict of interest exists pursuant to Section 3.2, the President of the Association shall, if appropriate, appoint a disinterested person or committee composed of disinterested persons to investigate alternatives to the proposed transaction or arrangement.
- b. After exercising due diligence, the Board shall determine whether the Association can obtain with reasonable efforts a more advantageous transaction or arrangement from a person or entity that would not give rise to a conflict of interest.
- c. If a more advantageous transaction or arrangement is not reasonably possible under circumstances not producing a conflict of interest, the Board shall determine by a majority vote of the disinterested directors whether the transaction or arrangement is in the Association's best interest, for its own benefit, and whether it is fair and reasonable. In conformity with the above determination, the Board shall make its decision as to whether to enter into a transaction or arrangement.

### **3.4 Violations of the Conflicts of Interest Policy**

- a. If the Board has reasonable cause to believe a director or officer has failed to disclose actual or possible conflicts of interest, it shall inform such person of the basis for such belief and afford the person an opportunity to explain the alleged failure to disclose.
- b. If, after hearing the person's response and after making further investigation as warranted by the circumstances, the Board determines that the member has failed to disclose an actual or possible conflict of interest, the Board may, in its discretion, take appropriate disciplinary and corrective action including, but not limited to, removal from the Board.

## **ARTICLE IV RECORDS OF PROCEEDINGS**

The minutes of the Board shall contain:

- a. The names of the persons who disclosed or otherwise were found to have a Financial Interest in connection with an actual or possible conflict of interest, the nature of the Financial Interest, any action taken to determine whether a conflict of interest exists, and the Board's decision as to whether a conflict of interest in fact existed; and
- b. The names of the persons who were present for discussions, the number of "yes" and "no" votes relating to the transaction or arrangement, the content of the discussion, including any alternatives to the proposed transaction or

arrangement, and a record of any votes taken in connection with the proceedings.

## **ARTICLE V COMPENSATION**

A Board member who receives direct and indirect remuneration as well as gifts or favors that are not insubstantial ("Compensation") from the Association for services shall not vote on matters pertaining to that member's Compensation.

## **ARTICLE VI ANNUAL STATEMENTS**

Each director or officer shall annually sign a statement affirming that such person:

- a. has received a copy of the conflicts of interest policy;
- b. has read and understands the policy; and
- c. has agreed to comply with the policy.

**Exhibit D**

DIRECTOR'S ACKNOWLEDGEMENT OF RECEIPT OF  
GREENWAY FIELDS HOMES ASSOCIATION'S  
CONFLICT OF INTEREST POLICY

I have received a copy of the Conflict of Interest Policy adopted by the Board of Directors of Greenway Fields Homes Association (the "Policy").

I have read and understand the Policy.

I agree to comply with the Policy.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_