

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WESTERLY CREEK METROPOLITAN DISTRICT

Held: Wednesday, March 15, 2017, at 8:00 A.M. at 7350 East 29th Avenue, Suite 200, Denver, Colorado.

Attendance

The meeting referenced above was called and held in accordance with the applicable laws of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Katie Dell
Tom Downey
Tim Thornton
David Ungemah

Directors Tim Thornton and Justin Ross were absent. All directors' absences are deemed excused unless otherwise noted.

Also present were:

- Jennifer Gruber Tanaka, Esq., and Megan J. Murphy, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, District General Counsel;
- Brian Fennelly, Vice President and Chief Financial Officer of Forest City Stapleton, Inc.;
- Andrew Johnson, City and County of Denver Finance Department;
- Janis Bevier, Controller of Stapleton Development Corporation;
- John Fernandez, Reporter with Front Porch Stapleton;
- Tammi Holloway, President of Stapleton Development Corporation; and
- Landri Taylor, Chief Executive Officer of Stapleton Foundation.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Mr. Downey noted that a quorum of the Board was present and that the directors had confirmed their qualification to serve, and, therefore, called the meeting to order.

Declaration of

Ms. Tanaka advised the Board that, pursuant to Colorado law,

Quorum/Disclosure of
Conflicts of Interest

certain disclosures might be required prior to taking official action at the meeting. Ms. Tanaka reported that disclosures for those directors with potential or existing conflicts of interest were filed with the Secretary of State's Office and the Board at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Ms. Tanaka noted that a quorum was present and inquired into whether members of the Board had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. No additional disclosures were noted. The Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Public Comment

None.

Approval of Minutes from
February 15, 2017 Regular
Meeting

Ms. Tanaka presented the minutes from the February 15, 2017 Regular Meeting to the Board for consideration. Following discussion, upon motion of Ms. Dell, seconded by Mr. Ungemah, the Board unanimously approved the minutes.

Treasurer's Report.

Ms. Bevier presented the Board with the Monthly Financial Report as of January 31, 2017.

Ms. Bevier mentioned that the auditors are close to finishing the District's audit and a copy of the draft audit should be available in April.

Following discussion, upon motion of Ms. Dell, seconded by Mr. Ungemah, the Board unanimously accepted the Monthly Financial Report as of January 31, 2017.

Conduct Public Hearing on
2017 Amended Budget and
Adoption of Resolution No.
2017-03-01

Mr. Downey opened the public hearing on the 2017 amended budget. Ms. Tanaka noted that the notice of the budget hearing was made and published in accordance with Colorado law. Ms. Tanaka reviewed the proposed budget and budget resolution with the Board.

Ms. Tanaka informed the Board that Park Creek Metropolitan District discuss amending the District's budget to include expenditures for legal fees, attendance at the Special District Association annual conference, and funds to engage a separate financial advisor. Mr. Paul Cockrel, counsel to Park Creek Metropolitan District objected to the inclusion of funds to engage a separate financial advisor. Ms. Wheeler, the District's accountant revised the 2017 Budget to include an additional

\$40,000 in expenditures.

Mr. Downey stated the Intergovernmental Financial and Construction Agreement (“Master IGA”) requires Park Creek Metropolitan District to appropriate funds as reflected in the District’s budget. Mr. Downey stated the Board may choose to engage a separate financial advisor to review financing plans that are proposed by the City of Denver or Park Creek Metropolitan District.

Mr. Johnson stated that he is supportive of the District engaging a separate financial advisor. However, if the purpose of the financial advisor is to review bond issuance and other Park Creek Metropolitan District transactions that might be inefficient because the City of Denver and Park Creek Metropolitan District already hire an independent financial advisor to review those transactions.

Mr. Downey commented that Mr. Johnson had a good point but the District would like to allocate the funds for a financial advisor today so the District is able to hire a financial advisor later this year if the Board wants to do so.

Ms. Tanaka noted that she has received conflicting information about whether Park Creek Metropolitan District would be issuing bonds this year or not and given the history between these two Districts the Board would like to ensure the information the Board is being provided is timely and accurate.

Mr. Harris commented that until one year ago Park Creek Metropolitan District did not have an external financial advisor. Kipling Jones was brought on as an external financial advisor to review the latest bond issuance by Park Creek Metropolitan District. Mr. Harris stated that he believes it is the responsibility of Park Creek Metropolitan District to provide the District with information and keep the Board informed of financial transactions with Park Creek Metropolitan District.

Ms. Tanaka stated that each Board of Directors has their own fiduciary obligation to the respective Districts that cannot be delegated away. The Board of this District is required to pledge revenue to the payment of bonds issued by Park Creek Metropolitan District. The Directors would like the option to hire a financial advisor to understand the District’s financial obligations and fulfil their fiduciary duty to the District. Ms. Tanaka stated she has not be able to review the previous bond

issuance documents.

Mr. Harris stated he would provide the bond documents to Ms. Tanaka.

Ms. Dell stated that the Board would like Mr. Cockrel to turn over all District documents to Ms. Tanaka.

Mr. Downey stated that the District does not intend to become involved in construction or planning of the development. The Master IGA does not give Park Creek Metropolitan District the power to approve or reject advisors to the District and Park Creek Metropolitan District has not withdrawn the Cease and Desist Letter.

Mr. Fennelly commented that he believed Mr. Downey's email inferred that the District wanted to take over operations functions of Park Creek Metropolitan District.

Mr. Downey stated that the Board of Directors would like to have a conversation about the future of the master district and the taxpaying district.

Mr. Ungemah stated that the future planning is nothing new and we need to move beyond this impasse regarding the invoices for advisors to the District.

Mr. Downey stated that this budget amendment and Resolution No. 2017-03-02 a Joint Resolution Regarding General Counsel Services and Budgetary Matters memorialized the process for the District to submit invoices to Park Creek Metropolitan District and those invoices to be paid in accordance with the Master IGA.

Mr. Harris responded that he has a different interpretation of the Master IGA and now that the two Boards do not have common membership he will reread the Master IGA to confirm his understanding.

Mr. Downey stated that he agrees that only Park Creek Metropolitan District can issue bonds under the current Master IGA.

Mr. Ungemah asked if either District produces a financial report for the public each year.

Mr. Fennelly responded that Park Creek Metropolitan District and Forest City prepare an annual report dated January 1 of each year that outlines the public infrastructure completed in the prior year.

Mr. Ungemah asked if he could see a copy of the report and if it was possible for the District to be included in the report. Mr. Harris responded that Park Creek Metropolitan District does not produce a financial report for the public each year.

Mr. Fennelly stated he intends to present more financial information from Forest City to the Board at their next meeting.

There being no additional public comments, the public hearing on the District's 2017 Amended Budget was closed.

Upon motion of Ms. Dell, seconded by Mr. Ungemah, the Board unanimously approved the amended budget, appropriated funds therefor, and provided direction to the District's legal counsel to file the amended budget with the Division of Local Government.

Development Updates

Mr. Fennelly clarified that Park Creek Metropolitan District may issue bonds later this year because 2017 is reassessment year and Forest City is projecting actual value within the District will increase. The financial advisors will make the decision at the end of May to issue additional bonds to refund some of Park Creek Metropolitan District outstanding bonds.

Mr. Ungemah stated that the District does not want to create development delays for Forest City and he appreciates Mr. Fennelly providing the ongoing development updates.

Discuss Matters Related to Park Creek Metropolitan District and Consider Adoption of Resolution No. 2017-03-02: Joint Resolution Regarding the Retention of General Legal Counsel and Financial Advisor and Attendance at SDA Conference and Payments Therefor

Ms. Tanaka presented the Board with Resolution NO. 2017-03-02: Joint Resolution Regarding the Retention of Legal Counsel and Financial Advisor and Attendance at SDA Conference and Payments Therefore. Ms. Tanaka noted that the resolution was prepared at the request of the Park Creek Metropolitan District Board at its last meeting and sent to Mr. Cockrel for review and comment. Ms. Tanaka reported that Mr. Cockrel removed the financial advisor component.

The Board discussed the ongoing issues with Park Creek Metropolitan District, including having the engagement letter for WHITE BEAR ANKELE TANAKA & WALDRON approved by Park Creek.

Mr. Fennelly stated that he believes the Board wants to take over the responsibilities of Park Creek Metropolitan District.

Mr. Downey responded that the Board is seeking separate legal counsel from that of Park Creek Metropolitan District in order to preserve the Board's autonomy and to receive advice and counsel from advisors that are independent from Park Creek Metropolitan District.

Mr. Fennelly stated that he believes the Master IGA governs the powers of the District.

Mr. Ungemah stated that the Master IGA does provide guidance but it lacks specificity in some areas. Mr. Ungemah's goal is to be a steward of the taxes collected in Stapleton and he is unable to do that without independent advice from experts regarding the District and its affairs.

Ms. Dell stated that the District currently has no means to pay legal counsel and because Mr. Cockrel has stated he represents Park Creek Metropolitan District, the Board is unable to make informed decisions.

Mr. Fennelly questioned what information would a financial advisor be able to provide you because all the funds from the District go towards the repayment of debt.

Mr. Downey replied that Park Creek Metropolitan District provided the District no notice of its intent to issue bonds or other pertinent financial matters.

Mr. Ungemah stated that in the short term the Master IGA will remain in place but in the long term after the infrastructure is built out the relationship between the two districts will change and the Board is starting to plan for that now.

Mr. Fennelly stated that Park Creek Metropolitan District is planning to issue another bond later this year.

Mr. Ungemah stated that he would like a volunteer from the Board to attend the Park Creek Metropolitan District meetings and report back to the Board.

Ms. Tanaka informed the Board that an invoice for legal services was sent to the Board. Ms. Bevier replied that all

invoices need to be sent to her by the 15th of each month to process payment. Mr. Downey replied that the issue is that Park Creek Metropolitan District has not approved the engagement letter with WHITE BEAR ANKELE TANAKA & WALDRON.

Ms. Tanaka reminded those present of the previous discussions and agreements, which are also reflected in the resolution, setting forth a process whereby the Board would review the invoice and initial a cover page approving the amount stated. The cover page would be sent to Ms. Bevier for the Park Creek Metropolitan District to process payment of the invoice.

Mr. Downey stated that there is a disagreement about whether Park Creek Metropolitan District has the authority to approve the District's budget. Mr. Harris stated that there was a disagreement about Park Creek Metropolitan District's responsibility to provide information to the District.

Upon motion of Mr. Downey, seconded by Ms. Dell, the Board unanimously approved Resolution No. 2017-03-02: Joint Resolution Regarding the Retention of General Legal Counsel and Financial Advisor and Attendance at SDA Conference and Payments Therefor.

Discuss Volunteers for Attendance at Next Park Creek Metropolitan District Meeting

The Board agreed that two members would attend the Park Creek Metropolitan District meeting next week and Ms. Tanaka would request that the District be a regular item on Park Creek Metropolitan District's agenda each month.

The Board discussed the next Park Creek Metropolitan District will be March 23, 2017 at 9:00 a.m. After discussion, Mr. Downey and Ms. Dell will attend the Park Creek Metropolitan District meeting.

Other Business

None.

Strategic Planning Committee Work Session

Mr. Ungemah informed the Committee that the next steps are addressing key long-term questions and developing a plan for the conclusion of capital construction efforts within the community. Mr. Ungemah stated any actions by the District prior to that time could have negative results. Mr. Downey agreed.

Mr. Ungemah reviewed the long-term goals such as: long-term maintenance and rebuilding; the District's role in tax collection to satisfy those efforts; the role of the District's residents and

taxpayers in those efforts; and the overlap between the District and Stapleton's Master Community Association.

Mr. Fennelly stated that currently the Stapleton's Master Community Association has five members; three representing the developer and two representing residents. At the end of 2017 there will be two members representing the developer and three members representing residents.

Mr. Ungemah stated the Committee is also exploring the triggers for the dissolution of the District and/or Park Creek Metropolitan District.

Ms. Tanaka informed the Board that the Service Plan contemplates that after development is complete and Park Creek Metropolitan District has no outstanding financial obligations then Park Creek Metropolitan District would dissolve. It is unlikely that the District would be dissolved or consolidated because it has the tax base to pay the outstanding debt.

Mr. Harris stated that the process for the dissolution of the District and/or Park Creek Metropolitan District is memorialized in a document, although he cannot remember what document. Ms. Dell asked to see a copy of the document. Mr. Fennelly stated he would try to find the document.

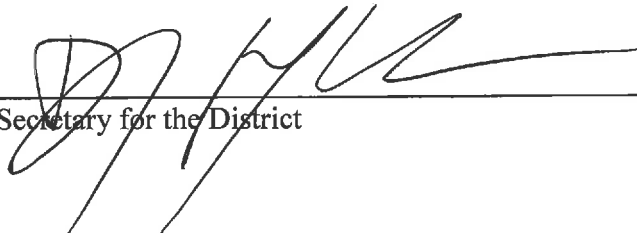
Next Meeting

The next regular meeting of the District is scheduled for April 19, 2017.

Adjournment

There being no further business to come before the Board, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting


Secretary for the District