

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WESTERLY CREEK METROPOLITAN DISTRICT

Held: Wednesday, February 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

Director Justin Ross was absent. All director's 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.;
- Janis Bevier, Controller of Stapleton Development Corporation;
- John Simmons, Accountant from Simmons & Wheeler, P.C.; and
- John Fernandez, Reporter with Front Porch Stapleton.

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 Quorum/Disclosure of Conflicts of Interest

Ms. Tanaka advised the Board that, pursuant to Colorado law, 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 January 18, 2017 Regular Meeting and January 26, 2017 Special Meeting

Ms. Tanaka presented the minutes from the January 18, 2017 Regular Meeting and the January 26, 2017 Special Meeting to the Board for consideration. Following discussion, upon motion of Mr. Ungemah, seconded by Mr. Thornton, the Board unanimously approved the minutes.

Treasurer's Report.

Ms. Bevier presented the Board with the Monthly Financial Report as of December 31, 2016. Mr. Downey requested copies of invoices for legal services and management services. Ms. Bevier will include copies of invoices for legal services and management services in the next meeting packet.

Ms. Bevier mentioned that the auditors are close to finishing the District's audit and are currently working on the Park Creek Metropolitan District audit. Mr. Downey questioned the need for an audit for the District because the District directs all funds to Park Creek Metropolitan District. Mr. Simmons stated that Colorado Audit Law requires any District with expenditures or revenues over \$750,000 to conduct an audit. Mr. Ungemah asked Ms. Bevier how expenses for shared service are allocated between the District and Park Creek Metropolitan District. Ms. Bevier replied that expenses are allocated based on the amount of work done for each entity under a license agreement for shared services. Ms. Tanaka requested a copy of the license agreement from Ms. Bevier.

Discussion of Strategic Planning Committee

Mr. Ungemah summarized presentations made to the Committee in January 2017 from Stapleton United Neighborhoods ("SUN"), Stapleton Citizens Advisory Board ("CAB"), Forest City, and the Stapleton Foundation. Ms. Dell advised the Board that the next step is for the Committee to compile the presentation materials and conduct a work session in March 2017.

Discuss Matters Related to
Park Creek Metropolitan
District

Mr. Downey stated that at the Park Creek Metropolitan District meeting on January 26, 2017, Mr. Harris appointed Mr. Moye to review and discuss the engagement letter from WHITE BEAR ANKELE TANAKA & WALDRON with Ms. Tanaka.

Ms. Tanaka informed the Board that she sent the engagement letter and proposed fees to Mr. Moye for review. Mr. White from the firm of WHITE BEAR ANKELE TANAKA & WALDRON spoke to Mr. Moye regarding Mr. Moye's proposed changes and recommended keeping the engagement letter as is and presenting it to the Park Creek Metropolitan District Board at their next meeting on February 23, 2017.

Mr. Downey stated that Mr. Moye's proposed changes to the engagement letter such as having WHITE BEAR ANKELE TANAKA & WALDRON engaged by Park Creek Metropolitan District and capping legal fees at \$25,000 were not acceptable.

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 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.

Ms. Tanaka stated the next step is for the Board to send discussion items to Mr. Harris in advance of the Park Creek Metropolitan District meeting and for Ms. Tanaka to meet informally with Mr. Cockrel to discuss on-going legal concerns between the two districts.

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 suggested 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 approve the processing and payment of the invoice.

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.

Other Business

Strategic Planning Committee
Work Session

None.

None.

Next Meeting

The next regular meeting of the District is scheduled for March 15, 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

A handwritten signature in blue ink, appearing to read "Kate B. Dun". The signature is written in a cursive style with a large initial "K" and "D".

Secretary for the District