

# RECORD OF PROCEEDINGS

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## MINUTES OF THE SPECIAL MEETING OF WESTERLY CREEK METROPOLITAN DISTRICT

HELD MAY 26, 2016

The special meeting of the Board of Directors (“Board”) of the Westerly Creek Metropolitan District (“Westerly Creek” or “District”) was held on Thursday, May 26, 2016 at 10:20 a.m., at 7350 East 29th Avenue, Suite 200, Denver, Colorado.

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### ATTENDANCE

#### Directors in attendance:

Thomas Downey, Chair

Timothy Thornton

Justin M. Ross

Katie B. Dell

#### Director absent: (whose absence was excused)

David H Ungemah

#### Also in attendance:

Tammi Holloway of Stapleton Development Corp.

Janis Bevier of Stapleton Development Corp.

Bar Chadwick from the City and County of Denver

Steve Larson from The Front Porch

Carol Roberts from The Front Porch

Paul R. Cockrel of Collins Cockrel & Cole

Micki L. Wadhams of Collins Cockrel & Cole

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### NOTICE

It was noted that the agenda notice of the meeting had been properly posted as required by law. Notice of the Special Meeting was posted in three (3) locations within the District’s boundaries and in the office of the Denver County Clerk and Recorder at least 72 hours prior to the special meeting. Certification of such posting is attached hereto.

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### ADMINISTERING OF OATHS

Ms. Wadhams administered the Oaths of Office to Justin M. Ross and Katie B. Dell, who were elected at the May 3<sup>rd</sup> regular special district election for terms of office to expire in May, 2020.

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### ELECTION OF OFFICERS

Upon motion duly made, seconded and unanimously carried, the Board elected the officers to the Board as follows:

Tom Downey – Chair  
Tim Thornton – Vice President  
David Ungemah – Secretary/Treasurer  
Justin Ross – Assistant Secretary  
Katie Dell – Assistant Secretary

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### CONFLICTS OF INTEREST

Director Ross disclosed a potential conflict of interest as a result of his directorship position with Stapleton Development Corporation, a non-profit corporation, which is responsible for the disposition of the development property owned by the City and County of Denver (“City”) within the District, including entering into agreements with the District or Park Creek Metropolitan District (“Park Creek”) and with SDC Services Corp., a subsidiary company, which provides administrative services to the Districts under the Professional Services Agreement. The District has entered into various funding, construction and cooperation agreements with Park Creek.

Such disclosure of potential conflict of interest shall be deemed continuing in nature and is incorporated into the record of the meeting.

All Directors acknowledged that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act; and that the nature of Director Ross’ private interests related to his directorship position with Stapleton Development Corporation or SDC Services Corp. After Director Ross had summarily stated for the record the fact and nature of his private interests and had further stated that the determination to participate in voting or take any other action on

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any contract or other matter in which he may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an ad hoc basis, the Board turned its attention to the agenda items.

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### PUBLIC

Chair Downey requested that each person in attendance introduce themselves to the Board.

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### MINUTES

The Board reviewed the Minutes of the March 24, 2016 special meeting. Upon motion duly made, seconded and unanimously carried, the Board approved the Minutes.

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### TREASURER'S REPORT

Ms. Bevier provided the financial report through April 30, 2016. After discussion and motion duly made, seconded and unanimously carried, the Board (i) accepted the Treasurer's Report, a copy of which is attached hereto and incorporated herein by this reference, and (ii) authorized the payment of all accounts, including current payables in conformance with budgetary appropriations, the encumbrance of all funds necessary for infrastructure projects, and the investment of any surplus funds.

Ms. Bevier summarized the process of receiving tax revenue, which financial accounts such revenue is deposited and purpose of transfers to the Park Creek Metropolitan District.

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### LEGAL REPORT

Mr. Cockrel reviewed the post-election filings and inclusion process. There are no pending inclusion proceedings. The Board questioned which properties are still subject to inclusion into the District. Ms. Holloway and Ms. Chadwick summarized the properties which will eventually need to be included within the District.

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### TEMPORARY ADJOURNMENT

Upon motion duly made, seconded and unanimously carried, the Board temporarily adjourned at 10:45 a.m. to conduct a work session. The Board reconvened into regular session at 12:10 p.m.

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### NEXT BOARD MEETING

The Board scheduled the next special meeting for 10:00 a.m. on Thursday, June 23, 2016, with another work session to follow.

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### BUDGET COMMITTEE

The Board discussed the need to appoint a permanent Budget Committee. Upon motion duly made, seconded and unanimously carried, the Board appointed Directors Ross and Ungemah to such committee.

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### BOARD EDUCATION

Chair Downey summarized the subject matters to be discussed at next month's work session to orient the Board members on District issues. Such issues include discussions regarding the timeline for infrastructure development, inclusions, Park Creek debt, issues regarding the Stapleton Development Corporation and DURA.

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### LEGAL SERVICES

Chair Downey requested approval to issue an RFP for District legal services. Mr. Cockrel advised the Board that pursuant to the Intergovernmental Agreement between the Districts, Park Creek provides legal services to Westerly Creek. Mr. Cockrel suggested that the District's officers begin discussions with Park Creek if the Board wishes to negotiate any amendment with respect to legal services.

Ms. Chadwick suggested that the Board hold off on any action until she discusses the issue with the City's attorneys. She will request one of the City's attorneys contact Chair Downey regarding this matter.

Chair Downey further requested that he begin drafting the RFP.

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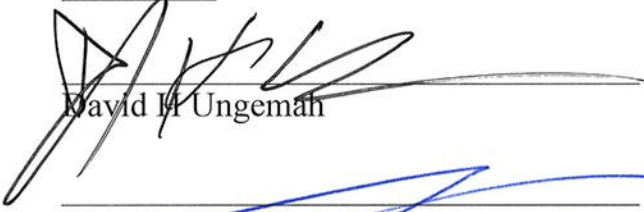
Director Dell agreed to such action. Directors Thornton and Ross wanted to receive feedback from the City before proceeding with the RFP. No action was taken.

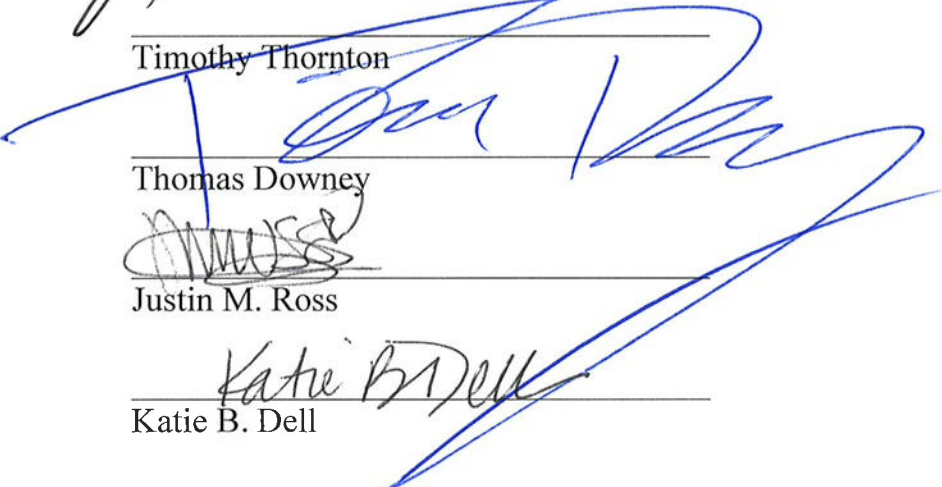
ADJOURNMENT

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

  
Secretary for the Meeting


APPROVED:

  
David M. Ungeman

  
Timothy Thornton

Thomas Downey

  
Justin M. Ross

  
Katie B. Dell

**NOTICE OF SPECIAL MEETING**  
**OF THE BOARD OF DIRECTORS OF**  
**WESTERLY CREEK METROPOLITAN DISTRICT**

NOTICE IS HEREBY GIVEN that the special meeting of the Board of Directors of the Westerly Creek Metropolitan District, City and County of Denver, Colorado, will be held at 7350 East 29th Avenue, Suite 200, Denver, Colorado, on Thursday, May 26, 2016, at 10:15 a.m.

**AGENDA**

1. Administer Oaths of Office to newly elected Board members.
2. Elect Board officers.
3. Public comment.
4. Approval of Minutes of March 24, 2016 Special Board meeting.
5. Treasurer's Report.
  - Review and acceptance of current financial statements
6. Attorney's Report (Paul Cockrel).
7. Any other matter that may come before the Board.
8. Adjournment.

Following adjournment, the Board will have a work session to orient new Board members on various matters, including Board member duties, District powers and inter-relationships with Park Creek Metropolitan District and the City and County of Denver.

This meeting is open to the public.

WESTERLY CREEK METROPOLITAN  
DISTRICT

By       /s/ Michael Kearns        
Secretary

I hereby certify that a copy of the foregoing Notice of Special Meeting was, by me personally, posted in three (3) locations within the District's boundaries at least 72 hours prior to the meeting.

M. Wadhams

I hereby certify that a copy of the foregoing Notice of Special Meeting was, by me personally, forwarded to the County Clerk and Recorder's office for posting on the public bulletin board at least 72 hours prior to the meeting.

M. Wadhams

**WESTERLY CREEK METROPOLITAN DISTRICT**

Monthly Financial Report  
Period Ended April 30, 2016

The following reports are attached to this narrative:

- 1) Statement of Revenues, Expenditures and Changes in Net Assets - General Fund (1 page)

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Changes in Fund Balance

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- Monthly tax income is less than budgeted for the current month. Year to date property taxes are more than budget due to timing.

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General Comments:

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- All tax income is transferred to Park Creek.
- All Westerly Creek expenses are funded by Park Creek.
  - Year to date G & A expenditures are less than budget likely due to timing.
  - Treasurers fee expense is 1% of property tax income and therefore varies inversely with the property tax income variance.
- Westerly Creek has no assets and therefore there is no Statement of Assets report.



**Westerly Creek Metropolitan District**  
**Revenue, Expenditures and Change in Net Assets**  
**WCMD General Fund**  
**For the 4 Months Ended April 30, 2016**

Current Budget	Actual	Favorable (Unfavorable)		YTD Budget	Actual	Favorable (Unfavorable)
<b>Revenue:</b>						
7,274,325	2,376,278	(4,898,047)	Property Tax - Debt - 53.652 Mills	10,911,045	12,627,596	1,716,551
225,100	73,493	(151,607)	Property Tax - O&M - 1.659 Mills	337,600	390,544	52,944
134,100	121,290	(12,810)	Specific Ownership tax	536,400	493,972	(42,428)
-	160	160	Interest Income	-	260	260
<b>7,633,525</b>	<b>2,571,221</b>	<b>(5,062,304)</b>	<b>Total: Revenue</b>	<b>11,785,045</b>	<b>13,512,372</b>	<b>1,727,327</b>
<b>Expenditures</b>						
<b>General and Administrative Expenditures</b>						
2,009	2,009	-	Staff Services	8,036	8,036	-
701	193	508	Office Services	2,804	831	1,973
144	143	1	Office Rent	577	564	13
141	124	17	Rent - Storage	564	496	68
-	-	-	Dues	600	538	62
4,600	474	4,126	Legal Fees	10,000	10,075	(75)
3,500	-	3,500	Accounting/Audit Fees	3,500	690	2,811
300	-	300	Accounting Services	1,200	873	327
75,000	24,499	50,501	Treasury Commission	112,500	130,198	(17,698)
-	-	-	Insurance Expense	3,000	3,445	(445)
86,395	27,443	58,952	Subtotal: G&A	142,781	155,746	(12,965)
<b>86,395</b>	<b>27,443</b>	<b>58,952</b>	<b>Total: Expenditures</b>	<b>142,781</b>	<b>155,746</b>	<b>(12,965)</b>
<b>7,547,130</b>	<b>2,543,778</b>	<b>(5,003,352)</b>	<b>Revenue Over/(Under) Expenditures</b>	<b>11,642,264</b>	<b>13,356,626</b>	<b>1,714,362</b>
86,045	27,443	(58,602)	Transfers From Park Creek	142,356	155,746	13,390
(7,633,525)	(2,571,221)	5,062,304	Transfers(To) Park Creek	(11,785,045)	(13,512,372)	(1,727,327)
(7,547,480)	(2,543,778)	5,003,702	Total: Other Financing Sources/(Uses)	(11,642,689)	(13,356,626)	(1,713,937)
<b>(350)</b>	<b>-</b>	<b>350</b>	<b>Increase/(Decrease) in Net Assets</b>	<b>(425)</b>	<b>-</b>	<b>425</b>