

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS

OF

WESTERLY CREEK METROPOLITAN DISTRICT

Held: Wednesday, September 18, 2019 at 8:00 A.M. at 7350 East 29th Avenue, Suite 200, Denver, Colorado.

ATTENDANCE

The meeting was held in accordance with the laws of the State of Colorado. The following directors were in attendance:

Katie Dell
Justin Ross
Tom Downey
David Ungemah

Director Tim Thornton's absence was excused. All directors' absences are deemed excused unless otherwise noted in these minutes.

Also present were:

- Megan J. Murphy, Esq., WHITE BEAR ANKELE TANAKA & WALDRON, Attorneys at Law, District General Counsel;
- Andrew Johnston, City and County of Denver Finance Department;
- Brian Fennelly, Vice President and Chief Financial Officer of Brookfield Properties;
- Tammy Holloway and Jan Bevier, Stapleton Development Corporation; and
- Robbie Jones, Kipling Jones

ADMINISTRATIVE MATTERS

Call to Order
Declaration of Quorum and Confirmation of Director Qualifications

The meeting was called to order. A quorum for the Board was confirmed present and the director's qualifications to serve were also confirmed.

Reaffirmation of Disclosures of Potential or Existing Conflicts of Interest

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy 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. Murphy 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.

Approval of Agenda

The Board was presented with the proposed agenda for the meeting. Following discussion, upon motion of Mr. Ungemah, seconded by Mr. Downey, the Board unanimously approved the agenda as amended.

PUBLIC COMMENT

None

CONSENT AGENDA

The Board was presented with the consent agenda items. Upon motion of Mr. Downey, seconded by Mr. Ungemah, the Board unanimously took the following actions:

- a. Approved the Minutes from June 12, 2019 Special Meeting;
- b. Accepted the Unaudited Financial Statements for May 31, 2019, June 30, 2019, and July 31, 2019.
- c. Deferred acceptance of the Unaudited Financial Statements for August 31, 2019.

LEGAL MATTERS

Ms. Murphy presented the Resolution Concerning Online Notices of Regular and Special Meetings. Following discussion, upon motion by Mr. Ungemah, seconded by Mr. Ross, the Board adopted the Resolution Concerning Online Notices of Regular and Special Meetings and approved posting notices on the District's website.

SDC MATTERS

Ms. Holloway presented the SDC Reduced Operations Plan – DRAFT dated August 19, 2019 (the “Plan”), to the Board. Ms. Holloway noted that she will continue to meet with SDC and stakeholders to discuss the Plan and is waiting to receive a response from the District before preparing a new draft.

Mr. Ungemah commented regarding uncertainty pertaining to contributions from SDC to SDC Services Group and further commented regarding the role of the District in backstopping financial contributions to SDC Services Group. Ms. Holloway responded regarding the reduced role of SDC for 2020 and explained that the financial structure of SDC Services Group is not clear for the beginning of 2020.

Mr. Johnston commented that allocation of staff with determine services received and explained that fixed costs currently billed to SDC will need to be reallocated amongst other stakeholders.

Ms. Dell inquired regarding the Green Book for SDC. Ms. Holloway responded regarding ongoing Green Book obligations.

Mr. Downey inquired about SDC's power to qualify people for appointment to Park Creek Metropolitan District and proposed a democratic process and requested the subject be addressed in the next draft plan.

Ms. Holloway confirmed that allocation of costs and SDC's power to qualify people for appointment to Park Creek Metropolitan District will be added to the next draft plan.

FINANCIAL MATTERS

Update on 2019 Bond Issuance by Park Creek Metropolitan District

Mr. Jones presented the proposed bond issuance timeline to the Board. Ms. Jones noted it is time again for Park Creek Metropolitan District to convert its higher rated date to lower interest rate date. She noted that the transaction will be the substantially the same as last year with the only difference being the size of the issuance and the interest rate.

Mr. Johnston commented regarding the availability of the final AV, which will be December 10, 2019 and provided an update regarding current developer advances and the refunding plan. Mr. Jones commented that the current plan would refund about half of the outstanding developer advances.

Mr. Johnston provided information on bonding capacity and how it is determined based on the assessed valuation of the entire district.

**DEVELOPMENT
UPDATES**

Mr. Fennelly provided an update regarding the three major tract projects and drainage for Sand Creek and further commented that work on Martin Luther King Boulevard is ongoing but is not funded by the District.

Mr. Ross inquired regarding the availability of affordable housing in Filing No. 57. Mr. Fennelly responded that there are no affordable housing services near Filing No. 57 and further responded regarding Brookfield’s fulfillment of all required affordable housing units. Mr. Fennelly also noted that Brookfield is meeting with the City monthly and putting developer covenants on the affordable housing units.

**MATTERS RELATED TO
PARK CREEK
METROPOLITAN
DISTRICT (“Park Creek”)**

Update from Park Creek This matter was deferred.

Proposed Transition Plan – Requirements and Timing This matter was deferred.

Discuss Volunteers for Attendance at Next Park Creek Metropolitan District Meeting This matter was deferred.

EXECUTIVE SESSION

Regarding determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, instructing negotiators and matters subject to legal advice (§§ 24-6-402 (4)(b) and (e), C.R.S.) regarding legal services and related matters.

Upon motion of Mr. Downey, and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 8:56 A.M. for the purpose of obtaining legal advice related to the Plan.

Pursuant to § 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of the portion of this executive session that, in the opinion of the District’s attorney, constitutes privileged attorney-client communication pursuant to § 24-6-402(4)(b), C.R.S.

Also pursuant to § 24-6-402(4), C.R.S., the Board did not adopt any proposed policy, position, resolution, rule, regulation or take formal action during execution session.

The Boards reconvened in regular session at 9:25 A.M.

Following discussion, upon motion by Ms. Dell, seconded by Mr. Ross, the Board directed legal counsel to draft a letter to SDC regarding the Plan.

