

DENVER CONNECTION WEST METROPOLITAN DISTRICT

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Lakewood, Colorado 80228-1898
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NOTICE OF A REGULAR MEETING AND AGENDA

<u>Board of Directors:</u>	<u>Office:</u>	<u>Term/Expiration:</u>
Robert A. Johnson	President	2020/May 2020
Craig Wagner	Treasurer	2018/May 2018
Eric McEachen	Assistant Secretary	2020/May 2020
David Brown	Assistant Secretary	2020/May 2020
Jeff McGovern	Assistant Secretary	2018/May 2018
Lisa A. Johnson	Secretary	

DATE: May 23, 2017

TIME: 1:30 P.M.

PLACE: Village Homes
8480 E. Orchard Road, Suite 1000
Greenwood Village, CO 80111

I. ADMINISTRATIVE MATTERS

A. Present Conflict Disclosures.

B. Approve Agenda, confirm location of the meeting and posting of meeting notices.

C. Review and approve Minutes of the April 25, 2017 regular meeting (enclosure).

II. FINANCIAL MATTERS

A. Discuss and consider adoption of a resolution authorizing the issuance of the District's Limited Tax (Convertible to Unlimited Tax) General Obligation Bonds, Series 2017A and the District's Subordinate Limited Tax General Obligation Bonds, Series 2017B in the approximate aggregate principal amount of \$14,000,000 and authorizing the execution of indentures of trust, bond purchase agreements, and all other agreements, documents, instruments, certificates, and actions necessary or appropriate in connection with the issuance of the two series of bonds.

III. LEGAL MATTERS

- A. Discuss Service Plan compliance regarding the following:
 - 1. Prevailing Wages.

 - 2. Small or Disadvantaged Business Enterprises.

 - 3. Public Art.

- B. Discuss status of Service Agreement for Swimming Pool and Spa Design between the District and Joe King Enterprises, Inc. d/b/a Aquality Construction.

IV. COVENANT ENFORCEMENT/DESIGN REVIEW

- A. Ratify approval of Resolution Adopting Design and Landscape Guidelines of Denver Connection West (enclosure).

- B. Ratify Resolution Regarding Imposition of District Fees.

- C. Discuss Rules and Regulations.

- D. Discuss Intergovernmental Agreement between the District and the City and County of Denver regarding Public Improvements (to be distributed at meeting).

V. CONSTRUCTION MATTERS

- A. Engineer's Report (enclosure).
 - 1. Discuss status of bids/construction of HUB Facility.

2. Discuss status of bids/construction of Signal.
-

VI. OTHER BUSINESS

A. _____

- VII. ADJOURNMENT **THE NEXT REGULAR MEETING IS SCHEDULED FOR
JUNE 27, 2017.**

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT (THE "DISTRICT") HELD APRIL 25, 2017

A Regular meeting of the Board of Directors of the Denver Connection West Metropolitan District (referred to hereafter as the "Board") was convened on Tuesday, April 25, 2017, at 1:30 p.m., at the offices of Village Homes, 8480 E. Orchard Road, Suite 1000, Greenwood Village, Colorado 80111. The meeting was open to the public.

Directors In Attendance Were:

Robert A. Johnson
Craig Wagner
Eric McEachen
David Brown
Jeffrey McGovern

Also In Attendance Were:

Lisa A. Johnson; Special District Management Services, Inc.

Elisabeth Cortese, Esq.; McGeady Becher P.C.

Jason Carroll, CliftonLarsonAllen LLP

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State seventy-two hours in advance of the meeting. Attorney Cortese requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Cortese noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board Members prior to this meeting and in accordance with the statutes. It was noted that disclosure statements had been filed for all Directors by the statutory deadline.

RECORD OF PROCEEDINGS

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting.

Following discussion, upon motion duly made by Director McGovern, seconded by Director Wagner and, upon vote unanimously carried, the Agenda was approved, as amended.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director McGovern, seconded by Director Wagner and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries, or within the county the District is located, to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board reviewed the Minutes of the March 28, 2017 Regular Meeting.

Following discussion, upon motion duly made by Director McEachen, seconded by Director McGovern and, upon vote, unanimously carried, the Board approved the Minutes of the March 28, 2017 Regular Meeting, as presented.

FINANCIAL MATTERS

2017 Bond Issuance: Attorney Cortese reported to the Board that Ms. Hutchens will send out an updated schedule on timing of a bond issuance. She estimates a bond closing by the end of May 2017.

Application for Exemption from Audit for 2016: The Board discussed the Application for Exemption from Audit for 2016.

Following review and discussion, upon motion duly made by Director Wagner, seconded by Director McEachen and, upon vote, unanimously carried, the Board ratified approval of the execution and filing of the Application for Exemption from Audit for 2016.

LEGAL MATTERS

Swimming Pool and Spa Design: Attorney Cortese reviewed with the Board the Service Agreement for Swimming Pool and Spa Design. She noted that she is working with the City and County of Denver regarding prevailing wages and small

RECORD OF PROCEEDINGS

or disadvantaged business requirements to be included in the District's contracts for construction of service. The Board deferred approval.

Service Plan Compliance: Prevailing Wages: The Board is aware of the requirements and is proceeding accordingly.

Small or Disadvantaged Business Enterprises (W/WBE): Mr. Ford is preparing a spreadsheet to provide to the City to determine the percentage of work to be completed by small or Disadvantaged Business Enterprises. Discussions are ongoing with the CITY

Public Art: Attorney Cortese explained the Public Art requirements as provided in the Service Plan. Attorney Cortese will follow up regarding the percentage of the funds to be expended on Public Art. The Board will continue to work with the City and County of Denver ("City") to meet the Public Art requirement.

COVENANT ENFORCEMENT/ DESIGN REVIEW

Service Agreement between the District and MSI regarding Covenant Enforcement, Community Interface, Programming, Facilities Maintenance Services: The Board reviewed the Service Agreement between the District and MSI regarding covenant enforcement, community interface, programming, facilities maintenance services.

Following review and discussion, upon motion duly made by Director McGovern, seconded by Director McEachen and, upon vote, unanimously carried, the Board approved the Service Agreement between the District and MSI regarding covenant enforcement, community interface, programming, facilities maintenance services.

Resolution No. 2017-04-01; Acknowledging and Adopting the Declaration of Covenant and Use Restrictions for Denver Connection West Metropolitan District: Attorney Cortese reviewed with the Board Resolution No. 2017-04-01 Acknowledging and Adopting the Declaration of Covenant and Use Restrictions for Denver Connection West Metropolitan District.

Following review and discussion, upon motion duly made by Director Brown, seconded by Director Wagner and, upon vote, unanimously carried, the Board ratified adoption of Resolution No. 2017-04-01 Acknowledging and Adopting the Declaration of Covenant and Use Restrictions for Denver Connection West Metropolitan District.

RECORD OF PROCEEDINGS

Resolution No. 2017-04-02; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants: Attorney Cortese reviewed with the Board Resolution No. 2017-04-02; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants.

Following review and discussion, upon motion duly made by Director Johnson, seconded by Director Wagner and, upon vote, unanimously carried, the Board ratified adoption of Resolution No. 2017-04-02; Adopting Policies and Procedures Governing the Enforcement of the Protective Covenants.

Resolution No. 2017-04-03; Resolution Adopting Design and Landscape Guidelines: Attorney Cortese reviewed with the Board Resolution No. 2017-04-03; Resolution Adopting Design and Landscape Guidelines.

Following review and discussion, upon motion duly made by Director Johnson, seconded by Director Wagner and, upon vote, unanimously carried, the Board adopted Resolution No. 2017-04-03; Resolution Adopting Design and Landscape Guidelines.

Resolution No. 2017-04-04; Regarding Operations and Maintenance Fees: Attorney Cortese reviewed with the Board Resolution No. 2017-04-04; Regarding Operations and Maintenance Fees.

Following review and discussion, upon motion duly made by Director Johnson, seconded by Director Wagner and, upon vote, unanimously carried, the Board ratified adoption of Resolution No. 2017-04-04; Regarding Operations and Maintenance Fees.

CONSTRUCTION MATTERS

Engineer's Report: The Board reviewed the Engineers report dated April 25, 2017. A copy of the report is attached hereto and incorporated herein by this reference.

Bids/Construction of HUB Facility: It was noted that base bid documents have been created and awaiting comments from the Architect and Legal Counsel pending M/WBE percentage determination from the City.

Bids/Construction of Signal: It was noted that bid documents have been created and finalizing the agreement format with Legal Counsel pending M/WBE percentage determination from the City.

RECORD OF PROCEEDINGS

ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director McGovern, seconded by Director Johnson and, upon vote unanimously carried, the meeting was adjourned.

Respectfully submitted,

By _____
Secretary for the Meeting

THESE MINUTES ARE APPROVED AS THE OFFICIAL APRIL 25, 2017
REGULAR MINUTES OF THE DENVER CONNECTION WEST
METROPOLITAN DISTRICT BY THE BOARD OF DIRECTORS SIGNING
BELOW:

Robert A. Johnson

Craig Wagner

Eric McEachen

David Brown

Jeffrey McGovern

RESOLUTION NO. 2017-04 - 01

**RESOLUTION OF DENVER CONNECTION WEST METROPOLITAN DISTRICT
ACKNOWLEDGING AND ADOPTING THE DECLARATION OF COVENANT AND
USE RESTRICTIONS FOR DENVER CONNECTION WEST**

1. Denver Connection West Metropolitan District (the “**District**”) is a duly and regularly created, established, organized, and existing metropolitan district, existing as such under and pursuant to Title 32, Article 1 of the Colorado Revised Statutes, as amended (“**C.R.S.**”).
2. William Lyon Homes, Inc., a California corporation (the “**Developer**”), the master developer of the Denver Connection West project (the “**Property**”) has executed a Declaration of Covenants and Use Restrictions (the “**Declaration**”) for the Property to be recorded in the real property records of the City and County of Denver, State of Colorado, which Declaration declares that the Property is and shall be subject to the Declaration and shall be owned, held, conveyed, encumbered, leased, improved, used, occupied, enjoyed, sold, transferred, hypothecated, maintained, altered and otherwise enjoyed in accordance with and subject to the covenants and use restrictions contained therein.
3. The Declaration provides that Denver Connection West Metropolitan District shall enforce each of the provisions provided therein.
4. Section 32-1-1004(8), C.R.S. authorizes Title 32 metropolitan districts to furnish covenant enforcement and design review services within the district if the declaration, rules and regulations, or similar document containing the covenants to be enforced for the area within the metropolitan district named the district as the enforcement or design review entity.
5. The Declaration assigns to the District all duties, rights and obligations to enforce the Declaration and to promulgate the Guidelines with respect to real property within the boundaries of the District that is subject to the Declaration.
6. The Board of Directors of the District (the “**Board**”) wishes to adopt the Declaration as an official policy of the District and to acknowledge the duties, obligations and rights assigned to the District pursuant to such Declaration.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT, CITY AND COUNTY OF DENVER, COLORADO, AS FOLLOWS:

- A. The foregoing Recitals are incorporated into and made a substantive part of this Resolution.
- B. The Board hereby determines that it is in the best interests of the District and its property owners and users for the District to accept the assignment of all duties, rights and obligations under the Declaration and to provide the covenant enforcement and design review services established thereby.

C. The Board hereby authorizes and directs the officers of the District and District staff to take all actions necessary to execute the duties, rights and obligations assigned to the District by the Declaration.

D. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase, or word hereof, or the application thereof in any given circumstance, shall not affect the validity of the remainder of this Resolution, which shall be given effect in accordance with the manifest intent hereof.

E. This Resolution shall be effective upon recording of the Declaration in the Office of the Clerk and Recorder for the City and County of Denver, Colorado.

[SIGNATURE PAGE FOLLOWS]

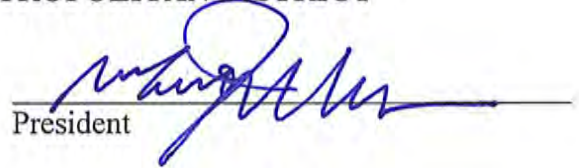
**[SIGNATURE PAGE TO RESOLUTION OF
DENVER CONNECTION WEST METROPOLITAN DISTRICT
ACKNOWLEDGING AND ADOPTING THE DECLARATION OF COVENANT AND
USE RESTRICTIONS FOR DENVER CONNECTION WEST]**

APPROVED AND ADOPTED on April 25, 2017.

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT**

By: _____

President



Attest:

Secretary



RESOLUTION NO. 2017-04 - 02

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENVER CONNECTION
WEST METROPOLITAN DISTRICT ADOPTING THE POLICIES AND
PROCEDURES GOVERNING THE ENFORCEMENT OF THE PROTECTIVE
COVENANTS OF DENVER CONNECTION WEST**

WHEREAS, the Denver Connection West Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City and County of Denver, Colorado; and

WHEREAS, the District operates pursuant to its Service Plan approved by the City and County of Denver on September 12, 2016, as the same may be amended and/or modified from time to time (the “**Service Plan**”); and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District has the power “to adopt, amend and enforce bylaws and rules and regulations not in conflict with the constitution and laws of this state for carrying on the business, objects, and affairs of the board and of the special district;” and

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the District has the power “to fix and from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs, or facilities furnished by the special district;” and

WHEREAS, William Lyon Homes, Inc., (the “**Developer**”) has caused to be recorded the Declaration of Protective Covenants of Denver Connection West, recorded on April __, 2017, at Reception No. _____ of the City and County of Denver, Colorado, real property records, as the same may be amended and/or modified from time to time (the “**Covenants**”) applicable to the real property within the District (the “**Property**”); and

WHEREAS, pursuant to Section 32-1-1004(8), C.R.S., and pursuant to the District’s Service Plan, a metropolitan district may provide covenant enforcement within the district if the declaration, rules and regulations, or any similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement and design review entity; and

WHEREAS, the Covenants provide that it is the intention of the Developer to empower the District to provide covenant enforcement services to the Property; and

WHEREAS, pursuant to the Covenants, the District may promulgate, adopt, enact, modify, amend, and repeal rules and regulations concerning and governing the Property and the enforcement of the Covenants; and

WHEREAS, pursuant to the Covenants, the District has the right to send demand letters and notices, to levy and collect fines, to negotiate, to settle, and to take any other actions with respect to any violation(s) or alleged violation(s) of the Covenants; and

WHEREAS, the District desires to provide for the orderly and efficient enforcement of the Covenants by adopting rules and regulations.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT:

1. The Board of Directors of the District hereby adopt the Policies and Procedures Governing the Enforcement of the Protective Covenants of Denver Connection West as described in **Exhibit A**, attached hereto and incorporated herein by this reference (“**Policies and Procedures**”).

2. The Board of Directors declares that the Policies and Procedures are effective as of January 1, 2017.

3. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION NO. 2017- 04-02]

APPROVED AND ADOPTED this 25 day of April, 2017.

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT**

By: _____

President

Attest:

Secretary or Assistant Secretary

EXHIBIT A

**POLICIES AND PROCEDURES GOVERNING THE ENFORCEMENT OF THE
PROTECTIVE COVENANTS OF DENVER CONNECTION WEST**

Preamble

The Board of Directors of the Denver Connection West Metropolitan District (the “**District**”), has adopted the following Policies and Procedures Governing the Enforcement of the Protective Covenants of Denver Connection West (“**Policies and Procedures**”) pursuant to Sections 32-1-1001(1)(j)(I), 32-1-1001(1)(m), and Section 32-1-1004(8), C.R.S. These Policies and Procedures provide for the orderly and efficient enforcement of the Declaration of Protective Covenants of Denver Connection West, recorded on April ____, 2017, at Reception No. _____ of the City and County of Denver, Colorado real property records, and as may be amended from time to time (the “**Covenants**”).

Pursuant to the Covenants, it is the intention of William Lyon Homes, Inc. (the “**Developer**”) to empower the District to provide covenant enforcement services to the residents of the District.

The District, pursuant to the provisions of its Service Plan, which was approved by the City and County of Denver, Colorado, on September 12, 2016, as it has been and may be amended from time to time, and pursuant to the Covenants, may enforce the Covenants through any proceeding in law or in equity against any Person(s) violating or attempting to violate any provision therein. Possible remedies include all of those available at law or in equity. In addition, the District has the right to send demand letters and notices, to levy and collect fines, to negotiate, to settle, and to take any other actions, with respect to any violation(s) or alleged violation(s) of the Covenants.

Unless otherwise specified, all references to the “District” made herein shall refer to the Denver Connection West Metropolitan District and its Board of Directors. The District has retained a management company (the “**District Manager**”) to assist it in managing its affairs, including the assessment and collection of penalties for violations of the Covenants under these Policies and Procedures.

ARTICLE 1. SCOPE OF POLICIES AND PROCEDURES

1.1 Scope. These Policies and Procedures shall apply to the enforcement of the Covenants, including the Rules and Regulations and Design Review Guidelines adopted pursuant thereto, as well as any reimbursable costs incurred by the District for enforcing the Covenants and for correction of noncompliance with the Covenants, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, removal of trash, and removal of non-complying landscaping or improvements.

ARTICLE 2. VIOLATIONS OF THE COVENANTS

2.1 Violations. Any Person violating any provisions of the Covenants shall be liable to the District for any expense, loss, or damage occasioned by reason of such violation and shall also be liable to the District for the penalties set forth in Article 2.3 below.

2.2 Notice of Violation. A Notice of Violation shall be sent upon a determination, following investigation, by the District Manager that a violation is likely to exist. Such Notice of Violation shall set forth the specifics of the alleged violation and the time period within which the alleged violation must be corrected, pursuant to the following classification guidelines:

a. Class I Violation: a violation that, in the sole discretion of the District, can be corrected immediately and/or does not require submission to, and approval by, the District of any plans and specifications. Class I Violations include, but are not limited to, parking violations, trash violations and other violations of the Covenants concerning annoying lights, sounds or odors. Class I Violations can in most cases be corrected within seven (7) days of notification. If the violation is not corrected within seven (7) days of notification, the District may take any appropriate action necessary to remedy the violation, including but not limited to, abatement of unsightly conditions, towing and storage of improperly parked vehicles, and removal of trash, etc.

b. Class II Violation: a violation that, in the sole discretion of the District, cannot be corrected immediately and/or require plans and specifications to be submitted to, and approval by, the District prior to any corrective action. Class II Violations include, but are not limited to, violations of the Covenants related to landscaping and construction of, or modification to, improvements. Class II Violations can in most cases be corrected within thirty (30) days of notification. If the violation is not corrected within thirty (30) days of notification, the District may take any appropriate action necessary to remedy the violation, including but not limited to, removing the non-complying landscaping or improvement.

2.3 Penalties. Penalties for violations of the Covenants shall be assessed as follows. Any penalties that have not been paid by the applicable due date shall be considered delinquent (the “**Delinquent Account**”).

- a. First Offense – Notice of Violation, no penalty
- b. Second Offense – Fee of up to \$100.00
- c. Third Offense – Up to \$250.00
- d. Continuing Violation – Up to \$500 each day violation continues (each day constitutes a separate violation).

ARTICLE 3. INTEREST

3.1 Interest. Interest charges shall accrue and shall be charged on all amounts not paid by the applicable due date, including delinquent penalties and any amounts expended by the District to cure a violation of the Covenants or amounts expended by the District to repair damages caused as a result of a violation of the Covenants. Interest charges shall accrue and shall be charged at the maximum statutory rate of eighteen percent (18%) per annum.

ARTICLE 4.
LIEN FILING POLICIES AND PROCEDURES

4.1 Perpetual Lien. Pursuant to Section 32-1-1001(1)(j)(I), C.R.S., all Fees and Charges, until paid, shall constitute a perpetual lien on and against the Property to be served by the District. Except for the for the lien against the Property created by the imposition of property taxes by the District and other taxing jurisdictions pursuant to Section 32-1-1202, C.R.S., all liens for unpaid Fees and Charges shall to the fullest extent permitted by law, have priority over all other liens of record affecting the Property and shall run with the Property and remain in effect until paid in full. All liens contemplated herein may be foreclosed as authorized by law at such time as the District in its sole discretion may determine. Notwithstanding the foregoing, the lien policies and procedures set forth herein shall be implemented in order to ensure an orderly and fair execution of the lien filing and collections process.

4.2 District Manager's Procedures. The District Manager shall be responsible for collecting Fees and Charges imposed by the District against the Property. In the event payment of Fees and Charges is delinquent, the District Manager shall perform the procedures listed below. Any Fees and Charges which have not been paid by the applicable due date are considered delinquent:

a. Fifteen (15) Business days Past Due. A delinquent payment "Reminder Letter" shall be sent to the address of the last known owner of the Property according to the District Manager's records. In the event the above mailing is returned as undeliverable, the District Manager shall send a second copy of the Reminder Letter to: (i) the Property; and (ii) the address of the last known owner of the Property as found in the real property records of the City and County of Denver Assessor's office (collectively the "**Property Address**"). Said Reminder Letter shall request prompt payment of amounts due.

b. On the Fifteenth (15) Business day of the Month Following the Scheduled Due Date for Payment. A "Warning Letter" shall be sent to the Property Address requesting prompt payment and warning of further legal action should the Property owner fail to pay the total amount owing. Along with the Warning Letter, a summary of these Policies and Procedures, and a copy of the most recent account ledger reflecting the total amount due and owing to the District according to the records of the District Manager shall also be sent.

c. First (1) Business day of the Month Following the Postmark Date of the Warning Letter. Once the total amount owing on the Property, inclusive of Interest and Costs of Collections as defined below, has exceeded One Hundred Twenty Dollars (\$120.00) and the District Manager has performed its duties outlined in these Policies and Procedures, the District Manager shall refer the Delinquent Account to the District's General Counsel (the "**General Counsel**"). However, if the amount owing on the Delinquent Account is less than One Hundred Twenty Dollars (\$120.00), the District Manager shall continue to monitor the Delinquent Account until the amount owing on such account is One Hundred Twenty Dollars (\$120.00) or greater, at which point the Delinquent Account shall be referred to General Counsel. At the time of such referral, the District Manager shall provide General Counsel with copies of all notices and letters sent and a copy of the most recent ledger for the Delinquent Account.

4.3 General Counsel Procedures. Upon referral of a Delinquent Account from the District Manager, General Counsel shall perform the following:

a. Upon Referral of the Delinquent Account from the District Manager. A "Demand Letter" shall be sent to the Property Address, notifying the Property owner that his/her Property has been referred to General Counsel for further collections enforcement, including the filing of a lien against the Property. Along with the Demand Letter, a copy of the most recent account ledger reflecting the total amount due and owing the District according to the records of the District Manager shall also be sent.

b. No Earlier Than Thirty (30) Business days from the Date of the Demand Letter. A Notice of Intent to File Lien Statement, along with a copy of the lien to be filed, shall be sent to the Property Address of the Delinquent Account notifying the Property owner that a lien will be filed within thirty (30) days of the Notice of Intent to File Lien Statement postmark date.

c. No Earlier Than Ten (10) Business days from the Postmark Date of the Notice of Intent to File Lien Statement. A lien for the total amount owing as of the date of the lien shall be recorded against the Property with the County Clerk and Recorder's Office; all Fees and Charges, Interest, and Costs of Collection (as defined below) will continue to accrue on the Delinquent Account and will run with the Property until the total amount due and owing the District is paid in full.

ARTICLE 5. COSTS OF COLLECTIONS

"Costs of Collections" are generated by the District Manager and General Counsel's collection efforts. They consist of the following fixed rates and hourly fees and costs:

5.1 Action Fees. The following fixed rate fees shall be charged to a Delinquent Account once the corresponding action has been taken by either the District Manager or General Counsel:

a. Reminder Letter Fee. No charge for the Reminder Letter. This action is performed by the District Manager.

b. Warning Letter Fee. Fifteen Dollars (\$15.00) per Warning Letter sent. This action is performed by the District Manager.

c. Demand Letter Fee. Fifty Dollars (\$50.00) per Demand Letter sent. This action is performed by General Counsel.

d. Notice of Intent to File Lien Fee. One Hundred Fifty Dollars (\$150.00) per Notice of Intent to File Lien Statement sent. This action is performed by General Counsel.

e. Lien Recording Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by General Counsel.

f. Lien Release Fee. One Hundred Fifty Dollars (\$150.00) per each lien recorded on the Property. This action is performed by General Counsel.

5.2 Attorney Hourly Fees and Costs. After a lien has been filed, all hourly fees and costs generated by General Counsel to collect unpaid Fees and Charges shall also be assessed to the Delinquent Account.

5.3 Recovery of Costs of Collections. In accordance with Section 29-1-1102(8), C.R.S., nothing in these Policies and Procedures shall be construed to prohibit the District from recovering all the Costs of Collections whether or not outlined above.

ARTICLE 6. WAIVER OF INTEREST AND COSTS OF COLLECTIONS

6.1 Waiver of Interest. The District Manager and General Counsel shall each have authority and discretion to waive or reduce portions of the Delinquent Account attributable to Interest. Such action shall be permitted if either the District Manager or General Counsel, in its discretion, determines that such waiver or reduction will facilitate the payment of the penalties due. Notwithstanding, if the cumulative amount due and owing the District on the Delinquent Account exceeds One Thousand Dollars (\$1,000.00), neither the District Manager nor General Counsel shall have any authority to waive or reduce any portion of the Interest. In such case, the person or entity owing in excess of One Thousand Dollars (\$1,000.00) shall first submit a request for a waiver or reduction, in writing, to the District, and the District shall make the determination in its sole discretion.

6.2 Waiver of Delinquent Penalties and Costs of Collections. Neither the District Manager nor General Counsel shall have the authority to waive any portion of delinquent penalties or Costs of Collections. Should the Property owner desire a waiver of such costs, she/he shall submit a written request to the District, and the District shall make the determination in its sole discretion.

6.3 No Waiver of Future Interest. Any waiver or reduction of Interest or other costs granted pursuant to Sections 6.1 and 6.2 hereof shall not be construed as a waiver or reduction of future Interest, or as the promise to waive or reduce future Interest. Nor shall any such waiver or reduction be deemed to bind, limit, or direct the future decision making power of the District, District Manager, or General Counsel, whether related to the Property in question or other properties within the District.

ARTICLE 7. OPPORTUNITY TO BE HEARD

7.1 Opportunity to be Heard. Individuals who receive any notice or demand pursuant to these Policies and Procedures may request a hearing in accordance with the procedures set forth herein, or in the alternative, may elect to follow the Alternative Dispute Resolution procedures set forth in the Covenants.

7.2 Hearing Process. The hearing and appeal procedures established by this Article shall apply to all complaints concerning the interpretation, application, or enforcement of the Covenants, as each now exists or may hereafter be amended.

a. Complaint. Complaints concerning the interpretation, application, or enforcement of the Covenants must be presented in writing to the District Manager, or such representative as he or she may designate. Upon receipt of a complaint, the District Manager or designated representative, after a full and complete review of the allegations contained in the complaint, shall take such action and/or make such determination as may be warranted and shall notify the complainant of the action or determination by mail within fifteen (15) business days after receipt of the complaint. Decisions of the District Manager which impact the District financially will not be binding upon the District unless approved by the Board of Directors of the District at a special or regular meeting of the District.

b. Hearing. In the event the decision of the District Manager or his representative is unsatisfactory to the complainant, the complainant may submit to the District a written request for formal hearing before a hearing officer ("**Hearing Officer**"), which may be a member of the Board of Directors or such other Person as may be appointed by the Board of Directors. Such request for a formal hearing must be submitted within twenty (20) business days from the date written notice of the decision of the District Manager or designated representative was mailed.

Upon receipt of the request, if it be timely and if any and all other prerequisites prescribed by these Policies and Procedures have been met, the Hearing Officer shall conduct a hearing at the District's convenience but in any event not later than fifteen (15) business days after the submission of the request for formal hearing. The formal hearing shall be conducted in accordance with and subject to all pertinent provisions of these Policies and Procedures. Decisions of the Hearing Officer which impact the District financially will not be binding upon the District unless approved by the Board of Directors at a special or regular meeting of the District.

c. Rules. At the hearing, the Hearing Officer shall preside and the hearing shall be recorded. The complainant and representatives of the District shall be permitted to appear in person, and the complainant may be represented by any Person (including legal counsel) of his or her choice.

The complainant or his or her representative and the District representatives shall have the right to present evidence and arguments; the right to confront and cross-examine any Person; and the right to oppose any testimony or statement that may be relied upon in support of or in opposition to the matter complained of. The Hearing Officer may receive and consider any evidence which has probative value commonly accepted by reasonable and prudent Persons in the conduct of their affairs.

The Hearing Officer shall determine whether clear and convincing grounds exist to alter, amend, defer, or cancel the interpretation, application, and/or enforcement of the Policies and Procedures that are the subject of the complaint. The Hearing Officer's decision shall be based upon evidence presented at the hearing. The burden of showing that the required grounds exist to alter, amend, defer, or cancel the action shall be upon the complainant.

d. Findings. Subsequent to the formal hearing, the Hearing Officer shall make written findings and an order disposing of the matter and shall mail a copy thereto to the complainant not later than fifteen (15) business days after the date of the formal hearing.

e. Appeals. In the event the complainant disagrees with the findings and order of the Hearing Officer, the complainant may, within fifteen (15) business days from the date such findings and order were mailed, file with the District a written request for an appeal thereof to the Board of Directors. The request for an appeal shall set forth with specificity the facts or exhibits presented at the formal hearing upon which the complainant relied and shall contain a brief statement of the complainant's reasons for the appeal. The District shall compile a written record of the appeal consisting of (1) a transcript of the recorded proceedings at the formal hearing, (2) all exhibits or other physical evidence offered and reviewed at the formal hearing, and (3) a copy of the written findings and order. The District shall consider the complainant's written request and the written record on appeal at its next regularly scheduled meeting held not earlier than ten (10) days after the filing of the complainant's request for appeal. The District's consideration of the appeal shall be limited exclusively to a review of the record on appeal and the complainant's written request for appeal. No further evidence shall be presented by any Person or party to the appeal, and there shall be no right to a hearing de novo before the Board of Directors.

f. District Board of Directors Findings. The Board of Directors shall make written findings and an order concerning the disposition of the appeal presented to it and shall cause notice of the decision to be mailed to the complainant within thirty (30) days after the Board of Directors' meeting at which the appeal was considered. The Board of Directors will not reverse the decision of the Hearing Officer unless it appears that such decision was contrary to the manifest weight of the evidence made available at the formal hearing.

g. Notices. A complainant shall be given notice of any hearing before the District Manager, the hearing officer, or before the Board of Directors, by certified mail at last seven (7) business days prior to the date of the hearing, unless the complainant requests or agrees to a hearing in less time. When a complainant is represented by an attorney, notice of any action, finding, determination, decision, or order affecting the complainant shall also be served upon the attorney.

h. Costs. All costs of the formal hearing and appeal processes shall be paid by the complainant, including, but not limited to, certified mailing, transcription of the recorded proceedings, and General Counsel fees.

ARTICLE 8. PAYMENT PLANS

8.1 Payment Plans. Neither the District Manager nor General Counsel shall have the authority to enter into or establish payment plans for the repayment of a Delinquent Account. Should the Property owner desire to enter into a payment plan with the District, such owner shall first submit a written request to the District and the District shall make the determination in its sole discretion.

ARTICLE 9. RATIFICATION OF PAST ACTIONS

9.1 Ratification of Past Actions. All waivers and payment plans heretofore undertaken by the District Manager or General Counsel that would otherwise have been

authorized by these Policies and Procedures are hereby affirmed, ratified, and made effective as of the date said actions occurred.

ARTICLE 10. ADDITIONAL ACTIONS

10.1 Additional Actions. The District directs and authorizes its officers, staff and consultants to take such additional actions and execute such additional documents as are necessary to give full effect to the intention of these Policies and Procedures.

ARTICLE 11. COLORADO AND FEDERAL FAIR DEBT COLLECTIONS ACTS

11.1 Acts Not Applicable. Protective covenant enforcement as described herein is not a consumer transaction and, therefore, is not subject to the Colorado Fair Debt Collection Practices Act or the Federal Fair Debt Collections Practices Act.

ARTICLE 12. SEVERABILITY

12.1 Severability. If any term or provision of these Policies and Procedures is found to be invalid or unenforceable by a court of competent jurisdiction or by operation of any applicable law, such invalid or unenforceable term or provision shall not affect the validity of these Policies and Procedures as a whole but shall be severed herefrom, leaving the remaining terms or provisions in full force and effect.

ARTICLE 13. SAVINGS PROVISION

13.1 Savings Provision. The failure to comply with the procedures set forth herein shall not affect the status of the Fees and Charges as a perpetual lien subject to foreclosure in accordance with law. Failure by the District Manager, General Counsel, or other authorized representative to take any action in accordance with the requirements as specifically provided herein shall not invalidate subsequent efforts to collect the Fees and Charges.

DENVER CONNECTION WEST METRO DISTRICT

Board Meeting Project Status

April 25, 2017



Project Work

Monthly Site Visit

A site visit to see the general progress of construction was done on 3/31/17.

- Bringing in fill to bring the park site up had started;
- Sanitary sewer north of the channel was complete;
- Sanitary sewer south of the channel and in the single family area was currently under construction;
- Water plans have been approved and water construction was to start in April;
- Storm plans were verbally approved and storm construction started in Kittridge Street;
- Construction of single family and multifamily models on going.

Infrastructure Acquisition

- The Infrastructure Acquisition Report #1 will begin when invoices are available. Report #1 will cover all work up to the current month.



Construction Contract Documents

Contractor Contracts

- Signalization Bid
 - Bid Documents created;
 - Finalizing Agreement format with Legal Counsel;
 - Preparing Project Estimates for Denver M/WBE requirements;
 - Plans say “Not for Construction” – Are there more recent plans?
 - Plan to send out Bid Documents to Sturgeon and WL Contractors – Any others?
- HUB Bid
 - Created Base Bid Documents – Awaiting comments/review by Architect and Legal;
 - Bid when comments are received and incorporated in Bid Documents;
 - Status of Interior Design?

District Contract Change Orders

None

Consultant/Vendor Agreements

Consultant/Vendor Agreements

- None

Other Matters

- None

RESOLUTION NO. 2017-04-03

**RESOLUTION OF THE BOARD OF DIRECTORS OF THE DENVER CONNECTION
WEST METROPOLITAN DISTRICT ADOPTING THE DESIGN AND LANDSCAPE
GUIDELINES OF DENVER CONNECTION WEST**

WHEREAS, the Denver Connection West Metropolitan District (the “**District**”) is a quasi-municipal corporation and political subdivision of the State of Colorado located in the City and County of Denver, Colorado; and

WHEREAS, the District operates pursuant to its Service Plan approved by the City and County of Denver on September 12, 2016, as the same may be amended and/or modified from time to time (the “**Service Plan**”); and

WHEREAS, pursuant to Section 32-1-1001(1)(m), C.R.S., the District has the power “to adopt, amend and enforce bylaws and rules and regulations not in conflict with the constitution and laws of this state for carrying on the business, objects, and affairs of the board and of the special district;” and

WHEREAS, William Lyon Homes, Inc., (the “**Developer**”) has caused to be recorded the Declaration of Protective Covenants of Denver Connection West, recorded on April __, 2017, at Reception No. _____ of the City and County of Denver, Colorado, real property records, as the same may be amended and/or modified from time to time (the “**Covenants**”) applicable to the real property within the District (the “**Property**”); and

WHEREAS, pursuant to Section 32-1-1004(8), C.R.S., and pursuant to the District’s Service Plan, a metropolitan district may provide covenant enforcement within the District if the declaration, design and landscape guidelines, or any similar document containing the covenants to be enforced for the area within the metropolitan district name the metropolitan district as the enforcement and design review entity; and

WHEREAS, the Covenants provide that it is the intention of the Developer to empower the District to provide covenant enforcement services to the Property; and

WHEREAS, pursuant to the Covenants, the District may promulgate, adopt, enact, modify, amend, and repeal design and landscape guidelines concerning and governing the Property and the enforcement of the Covenants; and

WHEREAS, the District desires to provide for the orderly and efficient enforcement of the Covenants by adopting design and landscape guidelines.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE DENVER CONNECTION WEST METROPOLITAN DISTRICT:

1. The Board of Directors of the District hereby adopts the Design and Landscape Guidelines of Denver Connection West as described in **Exhibit A**, attached hereto and incorporated herein by this reference (“Design and Landscape Guidelines”).

2. The Board of Directors declares that the Design and Landscape Guidelines are effective as of January 1, 2017.

3. Judicial invalidation of any of the provisions of this Resolution or of any paragraph, sentence, clause, phrase or word herein, or the application thereof in any given circumstances, shall not affect the validity of the remainder of this Resolution, unless such invalidation would act to destroy the intent or essence of this Resolution.

[SIGNATURE PAGE FOLLOWS]

[SIGNATURE PAGE TO RESOLUTION NO. 2017-____-__]

APPROVED AND ADOPTED this ____ day of _____, 2017.

**DENVER CONNECTION WEST
METROPOLITAN DISTRICT**

By: _____
President

Attest:

Secretary or Assistant Secretary

EXHIBIT A

DESIGN AND LANDSCAPE GUIDELINES OF DENVER CONNECTION WEST

DENVER CONNECTION WEST METRO DISTRICT

Board Meeting Project Status

May 23, 2017



Project Work

Monthly Site Visit

A site visit to see the general progress of construction was done on 5/5/17.

- Bringing in fill to bring the park site up has been put on hold;
- Water north of the channel was complete;
- Storm is complete in Kittredge Street north of the channel and in Warner Drive.
- Utility construction is ongoing in the Single Family area south of the channel.
- Model construction is ongoing
- Fencing on the north property line has begun.
- All construction plans for the residential areas have been approved. Monuments are being designed.

Infrastructure Acquisition

- The Infrastructure Acquisition Report #1 will begin when invoices are available. Report #1 will cover all work up to the current month. Then reports will be monthly after that.



Construction Contract Documents

Contractor Contracts

- Signalization Bid
 - Bid Documents created;
 - Finalizing Agreement format with Legal Counsel;
 - Preparing Project Estimates for Denver M/WBE requirements;
 - Plans say “Not for Construction” – Are there more recent plans?
 - Plan to send out Bid Documents to Sturgeon and WL Contractors – Any others?
- HUB Bid
 - Created Base Bid Documents – Awaiting comments/review by Architect and Legal;
 - Bid when comments are received and incorporated in Bid Documents;
 - Status of Interior Design?
 - Status of Pool Design?

District Contract Change Orders

None

Consultant/Vendor Agreements

Consultant/Vendor Agreements

None

Other Matters

None