

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Monday, December 21, 2020, at 9:00 a.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting and budget hearings of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Also present by videoconference/phone: Tom George and Lisa Mayers, District Counsel, Spencer Fane LLP; Angela Elliott and Don Cullen, District Managers, Teleos Management Group; John Simmons, District Accountant, Simmons and Wheeler; and members of the public.

Following discussion, upon motion made by Director Collins, seconded by Director Selitrennikoff, Directors Pedersen and Toussaint were excused.

I. ADMINISTRATIVE MATTERS:

A. Call to Order:

The Board noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and Director Selitrennikoff called the meeting to order at 9:00 a.m.

B. Disclosure of Potential Conflicts of Interest:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded, and unanimously carried, the Board directed that said disclosures be incorporated herein.

II. LEGAL MATTERS:

A. Discussion and possible action regarding recently initiated litigation involving the District (*Metco Landscape, LLC v. CalAtlantic Group, Inc., and Whispering Pines Metropolitan District No. 1*, Case No. 20CV32144, Arapahoe County District Court):
District Counsel George discussed the District was served for nonpayment of \$168,000 of work allegedly performed by Metco.

B. Discussion and possible action to engage the law firm Gelman and Norberg, LLC, as special litigation counsel; authorize specific Board members to direct litigation counsel:

District Counsel George disclosed Spencer Fane represents Lennar in several other matters and it is a potential conflict of interest and recommended the Board engage separate counsel to handle the litigation.

Following discussion, upon motion made by Director Selitrennikoff, seconded by Director Collins, and upon vote unanimously carried, the Board engaged Gelman and Norberg, LLC as special litigation counsel and authorized Directors Collins and Selitrennikoff to work directly with litigation counsel.

III. EXECUTIVE SESSION

A. Executive Session pursuant to Section 24-6-402(4)(b), C.R.S., to confer with legal counsel and receive legal advice on specific legal questions related to District litigation in Case No. 20CV32144.

Upon motion made by Director Selitrennikoff, seconded by Director Collins, and upon vote unanimously carried, the Board entered into Executive Session pursuant to C.R.S., Sections 24-6-402(4)(b) after announcement of the specific topic for discussion and statutory citation authorizing the executive session and a vote of two-thirds of the quorum of the Board present. for the purposes of receiving legal advice on specific legal questions related to District litigation matters.

Upon motion made by Director Selitrennikoff, seconded by Director Hutchinson, and upon vote and unanimously carried, the Board closed the Executive Session. No action was taken during the Executive Session.

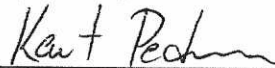
IV. PUBLIC COMMENT: None.

V. ADJOURNMENT:

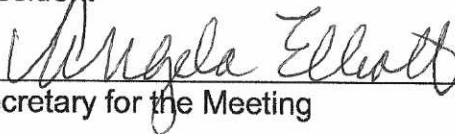
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded, and unanimously carried, the meeting adjourned at 10:06 a.m.

The foregoing minutes constitute a true and correct copy of the minutes of the special meeting held on December 21, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, December 8, 2020, at 5:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting and budget hearings of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Kent Pedersen (by videoconference)
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Also present by videoconference/phone: Tom George and Lisa Mayers, District Counsel, Spencer Fane LLP; Angela Elliott and Don Cullen, District Managers, Teleos Management Group; John Simmons, District Accountant, Simmons and Wheeler; and members of the public.

I. ADMINISTRATIVE MATTERS:

A. Call to Order:

The Board noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 5:33 p.m.

B. Disclosure of Potential Conflicts of Interest:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded, and unanimously carried, the Board directed that said disclosures be incorporated herein.

C. Approval of Minutes:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on November 23, 2020. District Manager Elliott noted the date of the June meeting was corrected from June 27 to June 22, meeting time needed to be corrected to 6:30 from 6:03 p.m. and the correct name of the committee is Guidelines Revision Committee.

Following discussion, upon motion duly made by Director Hutchinson, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board approved the

minutes as corrected, and authorized execution of the minutes as constituting a true and correct record of the proceedings of the meeting.

II. FINANCIAL MATTERS:

A. Discussion and consider adoption of Resolution to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money.

Director Collins presented and discussed the current proposed 2021 budget at 21.500 mills and also indicated that he had not heard back from the developers willing to fund the \$50,000 developer \$10,000 carry over from 2020 year-end. Director Collins further noted to leave the \$50,000 in the revenue portion of the 2021 operating agreement and not spend it if we do not receive it.

Director Collins indicated there could be a reduction in landscaping maintenance subject to Teleos' review of the 3 landscaping proposals.

Discussion regarding the proposed 2021 budget ensued and the Board noted they were not happy about the increase in the mill levy, and backed up by the other board members.

Other changes to the expense line items were: reducing insurance down to \$17,500 (savings of \$2500) and reducing tree replacement by \$6,000 to help offset the 2021 shortfall.

Following discussion, the Board considered the adoption of the Resolution to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money for District #1, subject to changes discussed above.

Upon motion duly made by Director Collins, seconded by Director Hutchinson, upon vote and unanimously carried, the District (1) approved the 2021 budget with changes discussed above, (2) approved the appropriation and expenditure of funds as detailed therein, (3) approved and adopted a mill levy of 78.277 mills, to be certified by the District for collection in 2021, (4) authorized Director Pedersen as President to sign the necessary documentation, and (5) directed District Accountant Simmons and District Manager Elliott to submit the certification of tax levy to the Board of County Commissioners of Arapahoe County no later than December 15, 2020 and to file the 2021 budget with the Division of Local Government prior to January 30, 2021.

III. LEGAL MATTERS: None

IV. DIRECTOR MATTERS: None

V. MANAGERS ITEMS:

A. Update on pool/clubhouse issues:

District Manager Elliott heard back from Custom Fence with the assistance of Director Pedersen that there are no keys and just screws for the light bollards. District Managers will hire a handyman to replace the bulbs.

District Manager Elliott heard back from Waner of Blue White Pool on the leak repairs. Blue White still has not taken any action to repair the leak.

District Manager Elliott reported that Century Link is waiting for their permit from City of Aurora to get the lines installed for the cameras/internet.

District Manager Elliott reported that Keesen fixed the wall by the clubhouse parking lot at no charge.

District Manager Elliott discussed the lights at the clubhouse have not been changed to dusk to dawn and the electrician provided the District with a cost of \$487 to install an astronomical digital timer. The cost to change the existing timer is \$105 (2 times a year). District Manager Elliott stated there is a 1-year warranty on the time clock for labor and 3 years' warranty on the parts. The electrician said it should last for many more years than that.

Following discussion, the Board directed District Manager Elliott to proceed with the purchase of the timer to be installed at the clubhouse.

District Manager Elliott received email back on why the park lights are so bright. Lennar will install a new bulb if the District purchases the temperature bulb, no indication of cost. Operations or Planning can see what type of light might be purchased.

District Manager Cullen reported on the Knox Box and spoke with Century who installs the box, at a cost of \$450, with a turn around time of one week.

Following discussion, the Board directed District Manager Cullen to purchase the Knox Box.

VI. OTHER BUSINESS: None.

VII. PUBLIC COMMENT:

Homeowner J. Elliott discussed cars and a service truck parked on E. Clifton where a bus stop and mailbox are located. Director Selitrennikoff suggested to homeowner to contact City of Aurora with a complaint as the District does not have jurisdiction over the public right of ways.

Homeowner J. Williams discussed that no one wants the mill levy to increase and the Board needs to make hard decisions on vendors. He further discussed that he has spent a lot of money on his landscaping and there are no streetlights on S. Langdale by the estate lots; the sidewalk is full of weeds and no hard landscaping installed; and the traffic and speeding on S. Langdale is excessive. He further noted that raising the taxes will make it more difficult to sell existing homes.

Homeowner B. Toussaint asked if there was a completion date for the trail and what will happen with all the dirt piled on the sides. Director Pedersen discussed these issues will be addressed when the trail is near completion.

Homeowner J. Elliott also mentioned with the pandemic they will probably not be doing any social activities and \$5000 could go to another line item expense.

VIII. EXECUTIVE SESSION

Upon motion made by Director Collins, seconded by Director Toussaint, and upon vote unanimously carried, the Board entered into Executive Session pursuant to C.R.S., Sections 24-6-402(4)(b) for the purposes of receiving legal advice on specific legal questions related to District litigation matters.

Upon motion made by Director Selitrennikoff, seconded by Director Collins, and upon vote and unanimously carried, the Board closed the Executive Session. No action was taken during the Executive Session.

IX. ADJOURNMENT:

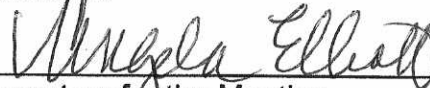
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded, and unanimously carried, the meeting adjourned at 7:32 p.m.

The foregoing minutes constitute a true and correct copy of the minutes of the special meeting held on December 8, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING AND BUDGET HEARINGS OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Monday, November 23, 2020, at 6:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting and budget hearings of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Director Pedersen was absent, absence excused. Also present by videoconference/phone: Tom George and Lisa Mayers, District Counsel, Spencer Fane LLP; Angela Elliott and Don Cullen, District Managers, Teleos Management Group; John Simmons, District Accountant, Simmons and Wheeler; and members of the public.

Upon motion duly made by Director Selitrennikoff, seconded by Director Collins, and upon vote unanimously carried, the Board appointed Director Toussaint to chair the meeting in Director Pedersen's excused absence.

I. ADMINISTRATIVE MATTERS:

A. Call to Order:

The Board noted that a quorum was present for the purpose of conducting a meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 6:33 p.m.

B. Disclosure of Potential Conflicts of Interest:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded, and unanimously carried, the Board directed that said disclosures be incorporated herein.

C. Approval of Minutes:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on October 27, 2020. Director Toussaint

requested the references to "Babbitt" inclusion should read "Guilford" and that Director Collins's committee should be corrected to "Finance," not "Budget" committee. Following discussion, upon motion duly made by Director Hutchinson, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board approved the minutes as corrected, and authorized execution of the minutes as constituting a true and correct record of the proceedings of the meeting.

II. FINANCIAL MATTERS:

A. Ratify Payment of Claims. The Board received the payment of claims, check #'s 2232 through 2235, totaling \$275,467.77 for ratification.

Following discussion, on motion duly made by Director Collins, seconded by Director Hutchinson, and upon vote unanimously carried, the Board ratified the payment of claims in the amount of \$275,476.77.

B. Conduct Public Hearings on the proposed Amendment to the 2020 Budget (as necessary) and the proposed 2021 Budget, and consider adoption of Resolution to Amend the 2020 Budget (as necessary) and Resolution to adopt the 2021 Budget, Set Mill Levies and Appropriate Sums of Money.

Director Collins presented and discussed the revised preliminary 2021 budget from the October meeting, explaining that R stood for "required," N is "new items added since original budget of District," and D is "discretionary" funding. Director Collins explained the revenue side of the general (operating) fund budget and noted that there will be no developer advances after 2020. Legal costs were higher in 2020 because of COVID, the Guilford inclusion, CORA requests and new board members. He discussed utilities were separated to reflect the clubhouse utilities and the common area utilities. He further noted that trash and social committee expenses are new items that were not contemplated when the original buildout budget was prepared. These two new items total approximately \$90,000. Further discussion followed on Director Collins' efforts negotiating a developer contribution in the amount of \$50,000 for 2021.

The mill levy for 2020 was 16.669 mills. The preliminary budget discussed at the October 27, 2020 board meeting showed 25.000 mills for the general fund, and the revised mill levy on the attached preliminary budget to the meeting packet is now 20.500 mills and includes some enhancements for common area landscaping. Tree replacement is at \$45,000, mulch replacement was reduced to \$27,000, and improvements to E. Clifton Place for \$6,500. The tree mulch rings and front entrance improvements were removed from this proposed budget. The line item amount for Reserves was also removed.

Director Collins discussed when the Bonds can be called and that refinancing efforts will take place if interest rates are favorable. Those negotiations with bond counsel will start at the end of next year.

District Accountant Simmons addressed that all three funds of the 2020 budget will need to be amended.

Upon motion made, seconded, and upon vote unanimously carried, the Board opened a combined public hearing on the proposed amendments to the 2020 Budget and the proposed 2021 Budget.

It was noted that publication of the budget hearings was made in a newspaper having general circulation within the District as required by law. No written objections were received prior to this public hearing and meeting.

The following public comments were received:

Homeowner N. Nowlan requested detail and information regarding the legal fees and would like to see a breakdown of the Covenant Enforcement Committee expenses and questioned how the Board could create a good budget when glossing over such a big line item as legal expense. He will email District Manager Elliott the request for legal cost breakdown.

Homeowner K. Kasch noted the attempt to negotiate a developer contribution for 2021 was a positive action by the Board. He further asked District Accountant Simmons to explain the transfer from the Capital Fund to the Debt Fund.

District Accountant Simmons explained the restricted fund could only be used if certain actions occurred, absent those actions the funds were transferred from the Capital Fund to the Debt Fund.

Homeowner K. Kasch inquired if the Board applied for a COVID-19 grant. Director Selitrennikoff discussed the District's application for its grant and noted the District has received approximately \$38,000 in grant funds.

There being no further comments, upon motion made, seconded, and upon vote unanimously carried, the combined public hearing was closed.

Discussion regarding the proposed 2021 budget ensued. Following discussion, upon motion duly made by Director Selitrennikoff, seconded by Director Collins, and upon vote unanimously carried, the Board deferred action on the budgets and set a special meeting for December 8, 2020 at 5:30 p.m. via videoconference/phone.

The Board then considered the Resolution to Amend the 2020 General Fund from \$446,766.00 to \$540,000.00; the Capital Fund from \$1,945,654 to \$2,100,000, and the Debt Service Fund from \$1,014,834.00 to \$1,475,000.00.

Following discussion, upon motion duly made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the District adopted the Resolution to Amend the 2020 Budget for all three funds as noted above.

D. Consider approval of 2020 Audit Fee Agreement. Tabled.

III. LEGAL MATTERS:

None.

IV. DIRECTOR MATTERS:

A. Operations Committee report (Director Jeff): Director Toussaint thanked the committee members for their diligence on keeping their eyes on matters that need to be addressed or of concern.

Director Toussaint inquired of District Counsel George who has the authority to accept property and improvements on behalf of the District. District Counsel George explained the Board has the authority to accept property and improvements and that this authority can be delegated by the Board. Director Toussaint discussed moving forward that 2 Board members along with District Manager Elliott and other related parties should attend acceptance walks. The Board agreed on this process.

B. Covenant Enforcement Committee report (Director Claude): Director Selitrennikoff discussed to date the CEC committee has 6 matters in progress.

C. Design Review Committee report (Director Claude): Director Selitrennikoff discussed the Design Review Committee has met four times and several times via email since the last board meeting and has approved 10 applications with 4 applications in progress.

D. Guidelines Revision Committee (Directors Claude and Dale): Director Selitrennikoff discussed the committee has mobilized and is comprised of the members of the Design Review and Covenant Enforcement Committees.

Director Selitrennikoff discussed the Board and its committees worked diligently in November on a survey that was sent to approximately 500 plus homeowners that resulted in 228 responses. There was some confusion on the questions and the Board and committee will work on clarification of questions in future surveys. Survey results: 65% were satisfied with the District; 15% not satisfied and 20% indifferent; Communications: 50% satisfied with communications; 23% thought it needed improvement, and 27% in the middle. Almost 100% preferred email; 25% preferred social media and a few wanted flyers.

Director Hutchinson added from the survey the top 3 areas for design guideline revisions are: fences, trash and sheds; followed by flags and flag poles, fire pits/wood piles and basketball hoops.

He further noted the biggest concerns raised in the survey were: dead trees, open space

maintenance and the trail completion. A few comments were received on street parking and District's debt.

Director Selitrennikoff thanked everyone for their input and future surveys will be sent out to the community regarding these issues as it is a collaborative effort.

E. Financial Committee report (Director David): Director Collins discussed that his report was given during the preliminary budget review.

F. Buildout Committee report (Director Kent): Director Toussaint talked with Director Pedersen and his report is the Trail is still off limits and not done. There has been damage to concrete by trucks and that will be taken care of, however the tire marks are not something that will be remedied.

Director Toussaint said he dropped by the Shea sales office and it appears the builder will not be completed until 2022.

G. Communications Committee report (Director Jeff): Director Toussaint stated the communications committee was working on dressing up the website, however the survey results indicated it was not a priority. He further noted in one of the previous newsletters that his email information was the only board information shared. He received 4 requests and forwarded to those Board members it related to. Now all the members are listed and homeowners can send to individual Board members for questions and concerns regarding their areas.

H. Planning Committee report (Director Dale): Director Hutchinson discussed the committee has reached out for more landscaping bids.

V. MANAGERS ITEMS:

A. 2021 Meeting Dates:

District Manager Elliott discussed the following proposed meeting schedule for 2021: to be held on the 4th Tuesday of February (Feb. 23); April (April 27); June (June 22); August (August 24); October (October 26); and November (November 23) at 6:30 p.m. The location of the meetings will be at the clubhouse, 8030 S. Sampson Gulch Road, Aurora, CO., pending the health, safety and welfare of the public, meetings may be held virtually.

The Board discussed meeting months and frequency.

Following discussion and upon motion duly made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board approved the meeting schedule of: the 4th Tuesday of February (Feb. 23), April (April 27), June (June 22), August (August 24); October (October 26) and the 1st Tuesday of December (December 7).

B. 2021 Administrative Resolution.

District Manager Elliott presented the Resolution concerning 2021 Annual Administrative Matters authorizing certain tasks to be performed by the District Manager, District Accountant and District Legal Counsel on a recurring basis in the operation of the District. District Manager Elliott also discussed receiving from District Counsel George, Section 45 to the administrative resolution allowing for virtual meetings and documents to be signed electronically.

The Board discussed keeping the same officers; same newspaper and posting will be on website. Discussion followed that officers can be elected anytime during the year if a change is desired.

Director Toussaint asked District Counsel George to explain Sections 9 through 12, particularly the email policy, of the Annual Administrative Matters Resolution and once a director no longer serves, can they delete their emails.

District Counsel George explained he will be happy to discuss this offline with any of the Board members regarding these sections if they want to revise, but generally the District must establish a policy for employees, even though the District does not have any employees. This is general language in all of Spencer Fane's administrative resolutions.

Following discussion and upon motion duly made by Director Selitrennikoff, seconded by Director Hutchinson, upon vote and unanimously carried, the Board approved the 2021 Annual Administrative Matters Resolution.

C. Update on pool/clubhouse issues:

District Manager Elliott has not heard back from Custom Fence on the keys to the light bollards nor heard back from Waner/Blue White Pool on the leak repairs. She will have a report by the December meeting.

The Board directed District Manager Elliott to get timeline on the cameras/internet.

Further discussion followed on the clubhouse trash cans are full because people are walking by and using them daily and the District does not have the clubhouse routinely cleaned. District Manager Elliott reached out to Keesen to empty the trash. Further Discussion followed on a mattress left at the clubhouse trash area. District Manager Cullen will follow up with Waste Management for removal and if a cost is incurred.

District Manager Elliott discussed a phone call and follow up email from a homeowner of the Coventry HOA that is below the District off Langdale Way. He spoke with City of Aurora and Lennar stating the District needs to purchase a Knox box to put on the EVA gate between 7901 and 7902 S. Langdale. He put a chain there and will be happy to

meet management when the box is to be installed and remove his chain (which has been cut or removed several times).

District Manager Elliott/Cullen will obtain cost for the Knox box and report back at the December meeting.

District Manager Elliott also received a verbal bid from Keesen to secure the rock wall adjacent to the parking lot at the clubhouse that is falling out for \$500. No action taken.

Lastly, District Manager Elliott received an email from the Whispering Pines Patio Villa Board that while they were blowing out the WPPV irrigation system it was noted that several of the District Irrigation Zones (along Sampson Gulch) were supplied from the HOA's existing tap; valves and controllers. They are requesting an agreement and reconciliation of past costs for reimbursement to the HOA. District Manager Elliott will work with Lennar personnel to get this situation resolved; however, the District has not accepted this tract and therefore not responsible or obligated for any past costs.

District Manager Elliott discussed the lights at the clubhouse have not been changed to dusk to dawn as the electrician provided the District with a cost of \$487 to install an astronomical digital timer. The cost to change the existing timer is \$105 (2 times a year). District Manager Elliott inquired about warranty on life span on timer. She has not heard back and therefore will report results at the December meeting for action.

VI. OTHER BUSINESS: None.

VII. PUBLIC COMMENT:

Homeowner D. Pendery commented that Teleos' eblasts are not reaching all homeowners. Constant Contact is not a good service to use. District Manager Elliott will look at other software. Director Toussaint discussed that homeowners need to volunteer their email address in order to be on the emailing system.

Homeowner D. Pendery discussed that all emails are required for a CORA request. He further inquired on who the members of the Design Guideline Revisions Committee and would like their names. Lastly, he questioned how the budget was handled, as the Board listened to Homeowner Kasch but did not address Homeowner N. Nowlan's concerns.

Director Selitrennikoff discussed the members of the revision committee is everyone on the Design Review Committee, with the exception of Shea Homes representative, and a member from the Covenant Enforcement Committee.

Homeowner N. Nowlan asked if he was going to see the breakdown of the legal costs or does he have to do a CORA request. District Counsel George asked Homeowner N. Nowlan to contact District Manager Elliott via email and she will send to him.

VIII. EXECUTIVE SESSION

Upon motion made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, the Board entered into Executive Session pursuant to C.R.S., Sections 24-6-402(4)(b) for the purposes of receiving legal advice on specific legal questions related to District litigation matters.

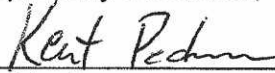
Upon motion made by Director Selitrennikoff, seconded by Director Hutchinson, and upon vote and unanimously carried, the Board closed the Executive Session. No action was taken during the Executive Session.

IX. ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded, and unanimously carried, the meeting was adjourned at 9:28 p.m.

The foregoing minutes constitute a true and correct copy of the minutes of the special meeting held on November 23, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, October 27, 2020, at 6:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Kent Pedersen (by videoconference)
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Also, present: Tom George, District Counsel, Spencer Fane LLP (by videoconference); Angela Elliott, District Manager, and Don Cullen, Teleos Management Group (by videoconference); John Simmons, District Accountant, Simmons and Wheeler (by videoconference); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 6:31 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded, and unanimously carried, the Board directed that said disclosures be incorporated herein.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on September 10, 2020. Following discussion upon motion duly made by Director Hutchinson, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board approved the minutes and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL MATTERS:

a. Ratify Payment of Claims. The Board reviewed the payment of claims, check #'s

2194 through 2219, totaling \$177,488.49 for ratification.

Following discussion, on motion duly made by Director Collins, seconded by Director Hutchinson, and upon vote unanimously carried, the Board ratified the payment of claims in the amount of \$177,488.49.

District Accountant Simmons discussed the current payment of claims, Check #'s 2220 through 2231, totaling \$59,235.46.

Following discussion, on motion duly made by Director Collins, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board approved the payment of claims in the amount of \$59,235.46.

b. Financial Statement. District Accountant Simmons walked the Board through the financial statement as of September 30, 2020. The District's operating fund had \$0 as of September 30, 2020 and is dependent on developers funding. The Capital fund had \$2,038,816 and the Debt Fund had a balance of \$3,541,138 as of September 30, 2020. District Accountant Simmons discussed that all but \$56,000 on taxes have been collected.

Further discussion followed on the Capital Fund that will terminate with the Babbit Inclusion.

Following discussion, on motion duly made by Director Collins, seconded by Director Toussaint, and upon vote unanimously carried, the Board accepted the September 30, 2020 financial statements as presented.

c. Discussion and approval of Bill.com. District Accountant Simmons discussed utilizing Bill.com to expedite payment of claims and not having to mail out checks for signature on a monthly basis. The cost would be approximately \$200 a month

Following discussion by the Board, no action was taken.

d. Discussion on Preliminary 2021 Budget. Director Collins displayed the most recent 2021 preliminary budget and walked the Board through the standard expense line items of the preliminary budget and then presented the wish list, which consists of the needs of the community property to bring it up to acceptable standards (i.e. topdressing mulch, replacing dead trees; adding furniture to the clubhouse; mulching around all trees; improvements to the entry; enhancing the tree lawns on E. Clifton) were itemized in the preliminary budget bringing the operating mill levy from 16.699 to 26.000 mills. Further discussion followed on the operating account that entails the day to day operations of the District.

Director Collins further discussed the Debt Service Fund which is the long term debt obligations, that he and his budget committee have had conversations with D.A. Davidson, original bond underwriters, and when the bonds can be called in December 2022, the Board will look at refinancing the bonds for a more favorable interest rate, to

provide for a savings or decrease in the debt fund but the operating fund is going to increase.

Director Collins further discussed the budget approval process budget and the purpose of the preliminary budget and discussions is to receive input from the Board members and homeowners over the next four weeks. At the November board meeting the District will hold a public hearing (for public comment) prior to adopting a resolution approving the 2021 budget and mill levies that need to be certified to the County by December 15, 2020.

Director Collins discussed the revenue difference from 2020 to 2021. With the inclusion of the Babbit parcel bringing in 28 homes, the tax base will be higher. He further noted that the District does not currently generate enough revenue from taxes to fund the operating costs of the District and it has relied on developer advances in the past. The developer advances terminate December 31, 2020 and there will be no more developer advances to off-set operating costs moving forward. The result is a need to increase the operating mill levy. The current preliminary budget shows an increase from 16.699 mills to 25.000 mills if all the items of the wish list are approved.

Director Collins will have District Accountant Simmons correct the line item of Covenant changes to Design Guideline changes. He further noted that the original budget did not include trash service and a social committee. These additional items total \$90,000 (trash \$75,000 and social \$15,000 respectively).

Director Collins concluded by saying the budget for approximately the next 2 years will not have enough revenue from taxes for operating costs. He then asked for comments from the Board.

Director Selitrennikoff obtained the District's grant from DOLA (Division of Local Agencies) for COVID 19, (receiving approximately \$40,000) for 2020 and said there is talk DOLA funds may or may not be available for next year, and therefore the budget should not anticipate the receipt of grant funds.

Director Hutchinson discussed the wish list line items represent a large amount of money. He suggested trimming it down and phasing it over time, and is seeking homeowner input as to what they would like done in 2021.

Director Toussaint discussed the amount for the social committee is small in comparison to the amount of "community" its activities have provided to homeowners. However, should COVID continue into 2021 and prevent social activities, he suggests that each quarter an amount be taken from the social committee and used for other budget items.

Director Selitrennikoff inquired what the mill levy at 26.000 mills equates in homeowner increase. He further noted the mill levy could drop below 26.000 by deleting COVID monitoring expenses of \$36,000.

District Accountant Simmons explained the current 26.000 mills is an increase of \$350 in property taxes (based on a home value of \$500,000) to homeowners in 2021.

The Board concluded homeowner input and feedback is critical to finalizing the budget.

District Legal Counsel George discussed the law states that a budget be adopted each calendar year and that notice of the budget hearing scheduled for the next board meeting will be published in the local paper. The public hearing is to be held before adopting the budget to allow homeowners to comment before the Board adopts the 2021 budget and the District is required to certify the mill levy by December 15. He also discussed that the District will publish notice regarding a public hearing to amend the 2020 budget, if necessary.

Director Collins asked homeowners when commenting under public comment for homeowner to voice their comments: 1) first on the budget; and, 2) second for other concerns and comments.

LEGAL MATTERS: None.

DIRECTOR MATTERS:

a. Discussion and appointment of Director(s) to commence amending design guidelines

Director Selitrennikoff discussed the purpose of creating the Committee for addressing items within the Design Guidelines that need amending. He further noted that revisions will need homeowner input. He would like to create an ad hoc committee to present the revisions to the Board at the next meeting if possible.

Director Collins asked for a time frame on amending design guidelines. Director Selitrennikoff said they would like to start with 2 or 3 items and a committee of 5 persons. He further discussed that a survey will be sent out to homeowners asking for their input on the top list of items for amending.

Upon motion made by Director Toussaint, seconded by Director Collins, and upon vote unanimously carried, the Design Guidelines Committee was created and Directors Selitrennikoff and Hutchinson were appointed as the Chairperson(s) of the Design Guidelines Ad Hoc Committee.

Operations Committee report (Director Jeff): Director Toussaint discussed snow removal is on the agenda and the trigger depth for removal on sidewalks is 2 inches. He further discussed that the clubhouse is open for activities and rental subject to COVID-19 restrictions and compliance.

Covenant Enforcement Committee report (Director Claude): Director Selitrennikoff discussed to date: fifty reminder letters have been mailed and the CEC committee has convened two times since the last board meeting.

Design Review Committee report (Director Claude): Director Selitrennikoff discussed the Design Review Committee has met four times since the last board meeting and have received 25 applications, 17 have been approved and the additional 8 applications are still in progress.

Finance Committee report (Director David): Director Collins discussed that his report was given during the preliminary budget discussions.

Buildout Committee report (Director Kent): Director Pedersen discussed the trail is being installed and Lennar is scrambling to get it done as well as the landscaping issues that are outstanding.

Communications Committee report (Director Jeff): Director Toussaint stated 3 newsletters have been sent out to date and the committee will continue to provide homeowners newsletters as frequently as necessary.

Planning Committee report (Director Dale): Director Hutchinson thanked homeowners Carrie Houck and Kathy Buck for working on the request for proposal on the landscaping bids.

MANAGEMENT MATTERS:

Ratification of 2020-2021 Snow Removal Contract. District Manager Elliott discussed that the Snow Contract with Keesen Landscape was signed on the 1st day of October, 2020, and the terms were the same which included sidewalks adjacent to common areas; bus stop areas; clubhouse concrete area and parking area. It also included the trail connectors to the regional trail system (District property), once the trails are accepted.

Following discussion upon motion made by Director Selitrennikoff, seconded by Director Hutchinson, upon vote and unanimously carried, the Board ratified the 2020-2021 snow contract by and between the District and Keesen Landscape.

Discussion on 2021 Pool Season Contract. District Manager Elliott discussed the past season rate with Clean Pools at \$5160 for the season plus chemicals. Chemicals totaled \$800 for the 2020 season and District Manager Elliott would like to continue with the same company for the next season.

Following discussion, the Board directed District Manager Elliott to secure a bid from Clean Pools for 2021.

Discussion on 2021 Cleaning Services for Clubhouse. District Manager Elliott discussed the costs for cleaning by Comfort Services. They charge \$110 per cleaning, an additional \$40 if extra dirty (which we were billed during COVID). During the normal season, the District used their services three times per week during pool opening that cost the District \$1400 per month.

Following discussion, the Board directed District Manager Elliott to secure a bid from

Comfort Services for 2021.

Discussion and ratification of the 2021 Landscaping Contract. Tabled.

Discussion and ratification of the 2020 Holiday Lighting Contract. District Manager Elliott discussed the holiday lighting contract in the amount of \$5,924.65, that covers the same decorations as last year.

Following discussion upon motion made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board ratified the 2020-2021 holiday lighting contract by and between the District and Keesen Landscape.

Discussion and ratification of the 2021 Management Contract. District Manager Elliott discussed the scope of work for the 2021 management contract based on number of committee meetings along with the normal fees of operating the district. District Manager Elliott further discussed this does not include management of the clubhouse which was approved 2 years ago at \$35 per hour that included key fobs, distribution to the clubhouse and pool, and rental of the clubhouse.

Following discussion upon motion made by Director Toussaint, seconded by Director Hutchinson, upon vote and unanimously carried, the Board ratified the 2021 Management contract by and between the District and Teleos, LLC.

Discussion on Maintenance Agreement with Denver Heating and Air Conditioning. District Manager Elliott discussed the current contract with Denver Heating and Air Conditioning that expires November 2020. She further stated this is the company that installed the heating and air conditioning units in the clubhouse.

Following discussion upon motion made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board ratified the 2020-2021 heating and air condition maintenance contract by and between the District and Denver Heating and Air Conditioning.

Update on Pool/Clubhouse Issues. District Manager Elliott reported the pipe leak in the pump room still not been repaired that was slated to be done after Labor Day. Waner Construction sent an email to the company inquiring when it will be done. No response to this date. At this time, it is not certain if it is a construction defect when Blue White Pools constructed the pool building and/or can we send to insurance company. The bathroom also has mold from the pipe leak.

District Manager Elliott discussed that emails have been sent to Custom Fence who installed the lighting fixtures on Sampson Gulch and requested a set of keys to access and repair/replace lights. No response to date. Director Pedersen directed Manager to send correspondence to Custom Fence and copy him. He will send to owner of company if necessary.

Discussion and approval of Century Link work in the amount of \$16,000 to bring internet to the clubhouse and enable the security cameras already installed. District Manager Elliott noted this item was in the current payment of claims and will be reimbursed by the Builders.

Reimbursement of Guilford Inclusion. District Manager Elliott discussed that she has billed Lennar for the legal costs for the inclusion in the amount of approximately \$12,000.00 and will reach out to Simmons & Wheeler for their bill.

Adjustment on Clubhouse lighting. District Manager Elliott discussed with daylight savings coming to an end, the lights at the clubhouse need to be adjusted. Discussion previously took place that the lighting on the clubhouse should not be illuminated after 10 pm. District Manager Elliott will need to contact the lighting company to come out and adjust the lights. She also mentioned that someday it would nice to have solar lights installed so this item would not have to be addressed two times a year.

The Board directed Manager to set the lights at dusk to dawn.

November Budget Hearing and Meeting Date. District Manager Elliot discussed she had emailed the Board and consultants regarding changing the regular scheduled meeting of November 24, 2020 to November 23, 2020 to accommodate a Board Member who is travelling on Nov. 24, 2020. She received a consensus to move the date and requested formal action to change the date and time, as it was suggested to hold meetings at 4:30 p.m., not 6:30 p.m.

Discussion followed on meetings held at 6:30 have more homeowners participating.

Following discussion, upon motion made by Director Hutchinson, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Board approved moving the regular meeting date of November 24, 2020 to November 23, 2020, at 6:30 p.m.

V. OTHER BUSINESS:

Director Collins mentioned that he received an email from a homeowner regarding excessive watering of homeowner front lawns and condition of homeowner lawns.

Management stated they had already received notice and it will be on the list in the Spring to send reminders out to homeowners.

VII. PUBLIC COMMENT:

District Counsel George discussed first having public comments on the proposed budget and then other concerns and comments to follow.

Homeowner Nate Nowlan would like the Title 32 document sent to him put on the website. He further noted that the following items should be priority for amending the design guidelines: flags; time of trash cans out on curbs prior to trash pickup; shed sizes/dimensions; and chickens. Homeowner Nowlan further volunteered to serve on the

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design guidelines amending committee.

Homeowner Nate Nowlan further commented why the applicant who appealed his backyard landscape denial and approval of concrete was denied. He questioned how the design negatively impacted property values of surrounding homes and how does the voice of 40 people say it is okay but 5 people can deny it.

Karl Kasch commented on the good job by Director Collins of presenting the preliminary 2021 budget. He further discussed the increase in mill levy based on a home of \$550,000 would increase their taxes by \$353 with the increase of operating mill 9-10 mills; and the Board should consider 1/3 of the work done each year. Mulch beds should be replenished using a 3-year plan and most critical being first of course.


He further commented the Board should seek reimbursement from builders on irrigation repairs as the system is near new.

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded, and unanimously carried, the meeting was adjourned at 8:39 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the special meeting held on October 27, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Thursday, September 10, 2020, at 4:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Kent Pedersen (by videoconference)
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Also, present: Tom George and Lisa Mayers, District Legal Counsel, Spencer Fane LLP (by videoconference); Angela Elliott, District Manager, and Don Cullen, Teleos Management Group (by videoconference); John Simmons, District Accountant, Simmons and Wheeler (by videoconference); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 4:32 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the special meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on August 18, 2020. District Manager Elliott noted the June 23 meeting minutes needs to be corrected to July 23, 2020 minutes. Following discussion upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, the Board approved the minutes as corrected, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

HEARING ON APPEAL OF COVENANT ENFORCEMENT VIOLATION:

District Counsel Mayers opened the hearing on the appeal of covenant enforcement violation at 25191 E. Nova Place, with the homeowners present. Director Selitrennikoff, Chairman of the Covenant Enforcement Committee, discussed the covenants and guidelines in question. Director Selitrennikoff previously provided the Board of Directors the Exhibits which included the design applications that were submitted by the homeowners and photographs of the property. The Homeowners submitted a plan on March 11, 2020 that was denied by the Design Review Committee as being in violation of Sections 6.14 and 2.8 of the Amended Design Guidelines. Homeowners submitted a revised plan that was approved on March 25, 2020. It later became known to both the Design Review Committee and Covenant Enforcement Committees that the Homeowners proceeded to install and complete an installation of improvements that were not consistent with the approved plan. The Covenant Enforcement Committee directed the Homeowners to remove the current improvements as in violation of the Second Amended Guidelines, and to replace the improvements with those that were approved per the March 25, 2020 Application.

The Homeowners stated they were appealing because their installation complied with the living to non-living ratio requirement consistent with the approved plan, that neighbors did not object to the improvements, among other reasons.

The Hearing was open for the Board of Directors to ask questions of the Homeowners. Following the questions and answers by the Board and Homeowners, the Hearing was then open to the public and witnesses for the Homeowners.

Following all discussions, the Board of Directors requested to enter into Executive Session to discuss the Covenant Violation under Legal Matters.

DIRECTOR MATTERS: None

LEGAL MATTERS:

A. Executive session pursuant to C.R.S. Section 24-6-402(4)(b) and (e): Conference with legal counsel for the purposes of receiving legal advice on specific legal questions, and for the purpose of developing negotiating positions and instructing negotiators regarding Covenant Enforcement matters and the potential inclusion of property into the District boundaries.

Upon motion made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, the Board entered in Executive Session pursuant to C.R.S., Sections 24-6-402(4)(b) and (e) for the purposes of receiving legal advice on specific legal questions, and for the purpose of developing negotiating positions and instructing negotiators on matters regarding Covenant Enforcement and the potential inclusion of property into the District Boundaries.

Upon motion made by Director Collins to close the Executive Session, seconded by Director Toussaint, and upon vote and unanimously carried, the Board closed the

Executive Session. No action was taken during the Executive Session.

B. Decision on the Hearing of Covenant Enforcement Violation.

Following discussion, the Board of Directors issued its decision on the appeal of the CEC decision regarding 25191 East Nova Place. Upon motion duly made, seconded, and upon vote and unanimously carried, the Board denied the appeal and voted to uphold the decision of the CEC finding that the rear yard improvements violate the cited provisions of the Declaration and Guidelines and further directed that the property owners modify the improvements to conform to the approved plan, or at their option to submit a new plan that conforms to the Guidelines (including but not limited to the following: removal of the basketball hoop, that the improvements be no closer than 15 feet to another property and that any cement area be no greater than 625 square feet). The Board further required that the modifications be completed no later than November 1, 2020.

C. Discussion and possible action to approve Second Amendment to the Metropolitan District Improvements Agreement.

District Counsel George described to the Board a proposed Second Amendment to the Metropolitan District Improvements Agreement to update the Construction Schedule and Budget, address reimbursement matters, and allocated additional bond proceeds among the Builders, all of which is to be worked out among the Builders.

Following discussion, and upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, with Director Pedersen abstaining, the Board approved the proposed Second Amendment to the Metropolitan District Improvements Agreement in substantially the form presented subject to District Counsel and Director Collins review and approval of the final Agreement.

D. Discussion and possible action to approve Inclusion Agreement by and among the District, Urban CoCAL LLC, and Lennar Colorado, LLC.

District Counsel George presented to the Board the proposed Inclusion Agreement.

Following discussion, and upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, with Director Pedersen abstaining, the Board approved the Inclusion Agreement by and among the District, Urban CoCAL, LLC and Lennar Colorado LLC., in substantially the form presented, subject to District Counsel and Director Collins review and approval of the final Agreement.

E. Public Hearing on Urban CoCAL LLC, Petition for Inclusion.

On behalf of the Board, District Counsel George opened the public hearing to discuss the Urban CoCAL, LLC Petition for Inclusion into the Whispering Pines Metropolitan District #1.

No public comments were given, and the public hearing was closed.

F. Discussion and possible action to approve Urban CoCAL LLC Petition for Inclusion.

Following discussion, upon motion made by Director Collins, seconded by Director Hutchinson, and upon vote and unanimously carried, with Director Pedersen abstaining, the Board approved the Urban CoCAL LLC Petition for Inclusion, adopted a resolution approving the Petition for Inclusion, and directed and authorized District Counsel to undertake the necessary statutory procedures to complete the inclusion.

MANAGEMENT MATTERS:

District Manager Elliott discussed that she will reach out to the individual committee chairs to address procedures that would help Management work more efficiently with the committees. She will also discuss what District Management estimates the committee hours will be for 2021.

District Manager Elliott reported the pipe leak in the pump room will be repaired in the next coming weeks. At this time it is not certain if it is a defect when Blue White Pools constructed the building and/or can we send to insurance company. The bathroom also has mold from the pipe leak.

The Solenoid in the lower bathroom has also been leaking, I asked the plumber to give me the cost to replace the solenoid or the entire faucet.

Option# 1

The cost to replace the solenoid on the Zurn model Z6915-XL sensor faucet is \$765.00.

Option# 2

The cost to replace the existing Zurn model Z6915-XL sensor faucet with a new Zurn model Z6915-XL sensor faucet is \$1,290.00.

District Manager requested the Board approve the option to replace the solenoid. Following discussion, upon motion made, seconded, and upon vote and unanimously carried the Board directed District Manager to replace the solenoid in the lower bathroom.

District Manager Elliott also received the Reserve Study and was directed that Director Selitrennikoff will handle the discussions with the board. The report was received on the 7th of September and the District has 45 days to make any corrections.

V. OTHER BUSINESS: None.

VII. PUBLIC COMMENT:

Homeowner Nowlan raised his concerns to the Board of Directors on: why motions cannot be made by homeowners during a Board meeting/Public Comment; the language in the Amended Guidelines need to be revised and language stricken that violate law; Amended Guidelines need to be revised regarding shed size and heights in relation to the size of the lot; trash can section in the Amended Guidelines needs to be revised as to when receptacles can be placed on the curb and restored after trash day. Homeowner Nowlan inquired why he was removed from Covenant Enforcement Committee.

Homeowner Pendery voiced his concerns about the arrogant Board and the Board needs

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to be recalled.

Homeowner Lange discussed his approval of allowing bees and chickens within the community as City of Aurora allows them. He understands that some may not approve but the municipality has provided allowance for chickens and bees.

Homeowner Nowlan commented that bees are not deniable and apiaries are acceptable as long they follow City of Aurora code.

Homeowner McCloud inquired where he can find the inclusion documents and the Board suggested that District Manager Elliott send to Mr. McCloud if he cannot find the documents in the September 10, 2020 Meeting packet posted on the whisperingpinesdistrict.com website.

Homeowner Tingler reiterated that a lot within the District that is larger should have options for installing larger sheds.

Homeowner Mitchell commented on shed sizes and the peak of their height of 6 feet. It is difficult to find a shed that is not 8' high and think it would be reasonable to amend the shed section in the Guidelines.

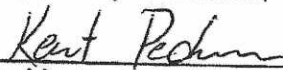
Director Selitrennikoff discussed the Board of Directors will be working on creating an ad hoc committee to prepare a massive amending of the Design Guidelines and the committee has not been identified at this point in time.

ADJOURNMENT:

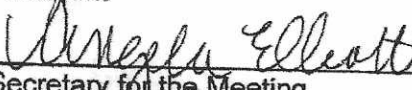
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 6:29 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the special meeting held on September 10, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, August 18, 2020, at 6:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Kent Pedersen (by videoconference)
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)
Dale Hutchinson (by videoconference)

Also, present: Tom George and Matt Dalton, District Legal Counsel, Spencer Fane LLP (by videoconference); Angela Elliott, District Manager, Teleos Management Group (by videoconference); John Simmons, District Accountant, Simmons and Wheeler; and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 6:31 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

Manager/District Counsel noted the agenda to be amended to include the approval of the June 30, 2020 regular meeting minutes.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on June 30, 2020. Following discussion and upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, the Board approved the minutes, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on July 23, 2020. Following discussion and upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, and upon vote unanimously carried, the Board approved the minutes, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL MATTERS

a. Ratify Payment of Claims. The Board received the payment of claims, check #'s 2182 through 2193, totaling \$61,206.44 for ratification.

Following discussion, on motion duly made by Director Collins, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board ratified the payment of claims in the amount of \$61,206.44.

b. Financial Statement. District Accountant Simmons walked the Board through the financial statement as of June 30, 2020. The District's operating fund of \$105,308 as of June 30, 2020. The Capital fund had \$2,052,260 and Debt Fund had a balance of \$3,426,282 as of June 30, 2020. District Accountant Simmons discussed that 90% of the property taxes have been collected, although Governor Polis granted taxpayers until October to pay, due to COVID.

Following discussion, upon motion duly by Director Collins, seconded by Director Selitrennikoff, and upon vote unanimously carried, the Board accepted the financial statements as presented.

District Accountant Simmons asked if Director Collins approved the format forecasting the remainder of the 2020 year. Director Collins acknowledged his approval of the format and District Accountant Simmons and District Manager Elliott will start working on it.

DIRECTOR MATTERS:

a. Discussion and possible action on proposed Planning Committee, Committee Chairperson, and committee members.

Director Toussaint discussed the purpose of creating the Planning Committee for addressing items within the District for the future, while the Operations Committee handles ongoing issues within the District.

Upon motion made by Toussaint, seconded by Director Collins, and upon vote unanimously carried, the Planning Committee was created and Director Dale Hutchinson was appointed as the Chairperson of the Planning Committee.

Operations Committee report (Director Jeff): Director Toussaint discussed the Committee would like to see the clubhouse utilized more in the future, as well as the current District grounds and those unaccepted to be brought to acceptable standards.

Director Toussaint further discussed the pool has operated fairly smoothly during COVID restrictions and pool hours have been extended on Tuesday's and Thursdays for those homeowners working. The stacked retaining wall by the playground is on the list to have the wall grouted in the future.

Director Toussaint discussed the pre-construction meeting for the completion of the regional trail. During the construction the trail will be closed to all homeowners. The goal is to have the trail completed by year end.

Director Toussaint moved to appoint Randy Austad to the Operations Committee, which motion was seconded by Director Collins, and upon vote unanimously carried, Randy Austad was appointed to the Operations Committee.

Covenant Enforcement Committee report (Director Claude): Director Selitrennikoff discussed the purpose of the Covenant Enforcement Committee is to enforce the Design Guidelines and Declaration of Covenants, Conditions and Restrictions. To date, seventy-eight (78) letters were sent to homeowners on submitting and completing their landscaping. Forty plus letters have been sent on miscellaneous alleged violations; eighty-eight letters for painting fences (31 responded and site inspection will take place soon to check on all fences).

Design Review Committee report (Director Claude): Director Selitrennikoff discussed the purpose of the Design Review Committee is to approve any improvements and modifications to homeowners property (exterior and landscaping). Since the beginning of the year, one hundred and seven applications have been processed. As of this meeting, 5 applications are in process and 7 new applications have been submitted.

Director Selitrennikoff also discussed the District applied for a grant in the amount of \$45,000.00, from DOLA (Division of Local Affairs) for expenses incurred due to COVID. The grant was approved and Director Selitrennikoff will begin the process for collecting the grant funds. The Board thanked Director Selitrennikoff for his efforts in applying for the grant.

Financial Committee report (Director David): Director Collins discussed the purpose of the Finance Committee as: 1) getting a handle on expenses and have reached out to District Accountant for a higher level of expenses and prepare a forecast for the remainder of the calendar year. Director Collins discussed some savings this year on the election and social line items and Planning Committee will participate in the 2021 budgeting. The Budget process starts in the fall; 2) the Committee is getting a handle on the long term debt and means of repaying the obligation. The Committee has been working with D.A. Davidson looking at 2022 in hopes of an opportunity to refinance; and, 3) the Committee is evaluating the Guilford parcel for inclusion to the District and working with D.A. Davidson and Developer on the impacts and advantages of the potential inclusion.

Buildout Committee report (Director Kent): Director Pedersen discussed the final design

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of the trail was finally accepted by City of Aurora and should start construction very shortly. Director Pedersen further discussed that contractors are working on the unaccepted areas within the District.

Director Toussaint discussed his visit to the Lennar and Shea Offices. It was reported to Director Toussaint that Lennar will be done building this year and Shea should be out of the community by end of 2021 or early 2022.

Communications Committee report (Director Jeff): Director Toussaint stated the goals of the Communications Committee as: 1) transfer of information to homeowners; 2) working on website to make it easier to maneuver and in near future may have their control over the website; and, 3) eblasting to homeowners more frequently and developing a newsletter.

Director Toussaint thanked Janet Elliott, Social Committee Chair for her hard work on the food truck nights and their success.

Planning Committee report (Director Dale): Director Hutchinson discussed that Carrie Houck and Kathy Buck will work on this committee (they both currently serve on Operations Committee as well) and he hopes to have more volunteers. Director Hutchinson said they will be working on future contracts.

MANAGEMENT MATTERS:

Management Report: District Manager Elliott reported the reason for the clubhouse landscaping irrigation was not all tied in to the clubhouse meter was because it is a 1 inch line at the clubhouse and therefore the corner of the irrigation was designed to feed off the Sampson Gulch meter. All irrigation was built to specs. District Manager Elliott further reported that the wall at the playground and other walls around the landscaped areas were built to specs and the District would need to pay for grouting the wall near the playground.

District Manager Elliott reported the Direct TV service is on vacation. Therefore no TV's are operational during this time.

District Manager Elliott further reported that she is still waiting on the pillar at the roundabout to be repaired by Custom Fence. The District did receive the \$8500 insurance check from the insurance company of the driver that damaged the pillar.

District Manager Elliott needs to research the pillars to see if the lighting can be handled by a "handyman" versus Custom Fence.

District Manager is working with Operations Committee on mapping and landscaping.

District Manager met Century Link on site regarding hooking up internet system in order to provide an IPS static address so the cameras can be wired.

District Manager Elliott is ready to start sending documents electronically if her time can be freed up from the various requests of the new board members and therefore she is introducing Don Cullen who will be handling and assisting in a lot of the day to day operations of the community. Don was managing at Highlands Ranch and brings many assets to the management team.

District Manager Elliott also filed the Annual Report for the District and the Continuing Quarterly Disclosure to the Bondholders.

V. PUBLIC COMMENT

Homeowner Nolan suggested the Board review the Design Guidelines regarding: the wording on flags; when trash containers can be placed on the curb (those who work may not be available during the evening and have to place containers out earlier); and, to address the section regarding sheds.

Director Selitrennikoff discussed the timing of amending the guidelines has not been determined

He further discussed the language in the Design Guidelines for shed sizes are standard throughout the community. Section 2.24 addresses Flags, and the District is neutral about content, but applications are still required. As far as trash cans the Management company does not do site inspections on trash days, nor inspecting the day before to see if any homeowner has moved their containers out early.

VI. LEGAL MATTERS

A. Discussion and possible action on the petition for dissolution of the Whispering Pines Metropolitan District #2).

District Counsel Dalton and George discussed the existence of Whispering Pines Metropolitan District #2 which has been inactive for several years. Counsel further discussed that Director Pedersen is the only board member for that District and this Board does not have any ability to dissolve District #2. District Counsel Dalton further discussed the history of the districts noting that originally districts were established, with District #1 intended to be a control district and #2, #3 and #4 to be financing districts, contributing all to District #1.

Director Pedersen noted that he would like to keep District #2 in its current status at this time. No action was taken.

B. Executive session pursuant to C.R.S, Section 24-6-402(4)(b) and (f): Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions, and for the purpose of developing negotiating positions and instructing negotiators.

Upon motion made by Director Selitrennikoff, seconded by Director Collins, and upon vote unanimously carried, the Board entered into Executive Session pursuant to C.R.S, Sections 24-6-402(4)(b) and (f) for the purposes of receiving legal advice from legal counsel on specific legal questions and discussing matters subject to negotiation,

Whispering Pines Metropolitan District
August 18, 2020

establishing negotiating positions and instructing negotiators on matters related to the potential inclusion of the Guilford parcel into the District.

Director Pedersen closed the Executive Session with no action taken during the Executive Session.

c. Discussion and possible action on the Guilford Inclusion:
Discussion and action were deferred to a later meeting.

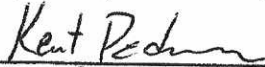
OTHER BUSINESS: None.

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 8:05 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the special meeting held on August 18, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Thursday, July 23, 2020, at 1:00 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; with the following directors present and acting:

Kent Pedersen (by videoconference)
Vacancy
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)

Also, present: Matt Dalton, District Legal Counsel, and Lisa Mayers, Spencer Fane LLP (by videoconference); Angela Elliott, District Manager, Teleos Management Group (by videoconference); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 1:01 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

CONSIDER APPOINTMENT OF DIRECTOR/OATH/BOND

Director Toussaint discussed the Board received the resignation of the Shea Home Board member on June 1. The Board developed a process for appointing a new member by calling for letters of interest and interviews. The Board appreciated the involvement of interested candidates.

Upon motion made by Director Toussaint, seconded by Director Selitrennikoff, upon vote and unanimously carried, Dale Hutchinson was appointed to the Board. District Counsel Dalton will send the Oath to Mr. Hutchinson to be administered by Director Pedersen or signed before a notary public, and he will be able to vote at future board meetings after the Oath is filed as required by statute.

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July 23, 2020

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DIRECTOR MATTERS:

Director Collins discussed Karl Kasch resigned from the Finance Committee and is requesting to add Mike Obendorf and Carlos Cruz. These 2 appointments would be in addition to Bill Bailey.

Following discussion upon motion made by Director Collins, seconded by Director Selitrennikoff, upon vote and unanimously carried, Mike Obendorf and Carlos Cruz were appointed to the Finance Committee.

Director Toussaint discussed adding Kathy Buck to the Operations Committee.

Following discussion upon motion made by Director Toussaint, seconded by Director Collins, upon vote and unanimously carried, Kathy Buck was appointed to the Operations Committee.

MANAGERS MATTERS:

Manager Elliott discussed two bids she received from Keesen to mow beauty bands in unaccepted areas of the District.

Director Pedersen directed Manager Elliott to send him the bids.

LEGAL MATTERS:

Upon motion made by Director Pedersen, seconded by Director Collins, upon vote and unanimously carried, the Board convened to Executive Session pursuant to C.R.S, Section 24-6-402(4)(b) and (f): Conferences with an attorney for the local public body for the purposes of receiving legal advice on specific legal questions, and for the purpose of developing negotiating positions and instructing negotiators for the purpose of discussing inclusion of the Guilford parcel into the District.

Upon motion made by Director Pedersen, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Board closed the Executive Session with no action taken during the Executive Session.

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 2:36 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the special meeting held on July 23, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

RECORD OF PROCEEDINGS

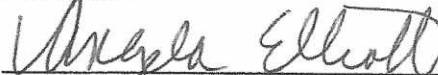
July 23, 2020

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Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, June 30, 2020, at 6:30 p.m., via zoom meeting in light of the COVID 19 Pandemic.

ATTENDANCE:

A regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen (by videoconference)
Vacancy
Jeff Toussaint (by videoconference)
Claude Selitrennikoff (by videoconference)
David Collins (by videoconference)

Also, present: Tom George, District Legal Counsel, and Lisa Mayers, Spencer Fane LLP (by videoconference); District Accountant John Simmons, Simmons and Wheeler (by videoconference); Michelle Miller, Shea Homes (by videoconference); Angela Elliott, District Manager, Teleos Management Group (by videoconference); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 6:30 p.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

APPROVE THE AGENDA:

Following discussion and upon motion duly made, seconded, upon vote and unanimously carried, the Board approved the agenda.

APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on April 28, 2020 and the special meeting held on June 11, 2020. Following discussion, upon motion made by Director

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June 30, 2020

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Selitrennikoff, seconded by Director Pedersen, upon vote and unanimously carried, the Board approved the minutes of the regular meeting held on April 28, 2020 and the minutes of the special meeting held on June 11, 2020, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

Whispering Pines Metropolitan District No. 1 representative to SARIA and possible appointment. District Counsel George noted for the Board that Spencer Fane is legal counsel for SARIA, he personally represents the SARIA, and that potential conflicts of interest have been previously waived by both SARIA and the District regarding such representation.

Following discussion, upon motion made by Director Toussaint, seconded by Director Collins, upon vote and unanimously carried, Director Selitrennikoff was appointed to represent the Whispering Pines Metropolitan District #1 as a Board member for SARIA with District Manager Elliott to serve as the alternate.

District Counsel George will provide contact information for Director Selitrennikoff to receive historical information and future information for SARIA meetings.

Discussion and possible action on Communications Committee. Director Toussaint discussed 2 committees require Board Members to serve as Chairperson, the Design Review Committee and Covenant Enforcement Committee. At the last board meeting three additional committees were approved: Operations; Finance; and, Buildout.

Director Toussaint requested that a Communications Committee also be established and that when the fifth board member is appointed and filing requirements are fulfilled, the new Board Member and Director Toussaint would discuss the two committees that he currently chairs (Operations and Communications) and decide which one the new Board Member will chair and which one Director Toussaint will continue to chair.

Following discussion, upon motion made by Director Toussaint, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Communications Committee was established and Director Toussaint will chair until the fifth board member is appointed and a decision is made on who chairs this committee.

Director Toussaint thanked the twenty plus homeowners who volunteered to participate in the committees.

Consider appointment of Board Member for vacancy. Discussion followed on the vacancy due to the resignation of Shea Homes board member, Scott Custer.

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Director Collins discussed the Board will make an appointment in the near future. The Board is requesting homeowners interested in serving on the Board to prepare a one page summary of their qualifications and bio and return to District Manager Elliott by June 8, 2020 at noon. The Board directed District Manager Elliott to send out an e-blast to homeowners tomorrow requesting their interest in serving on the Board by July 8, 2020 at noon.

Following receipt of interested candidates information, screening and interviews will be set up by District Manager Elliott with the Board. The Board will convene for a short special meeting to appoint the new board member.

District Counsel George discussed that any new board member could officially take its oath at the special meeting following appointment, but would not be able to vote until the Oath has been filed as required by statute.

Director Toussaint explained the odd year cycles of board member elections to homeowners present at the meeting, be 2, 3 year terms will be up for a 4 year term at the next election and the 3, 2 year terms will become 3 year terms at the next election and evolve to 4 year terms.

FINANCIAL ITEMS:

a. Ratify Payment of Claims. The Board received the payment of claims, check #'s 2158 through 2166, totaling \$52,954.07 for ratification.

Following discussion, on motion made by Director Collins, seconded by Director Toussaint, upon vote and unanimously carried, the Board ratified the payment of claims in the amount of \$52,954.07.

The Board reviewed the current payment of claims for ratification, check #'s 2167 through 2181 in the amount of \$60,360.22.

Following discussion, on motion made by Director Collins, seconded by Director Toussaint, upon vote and unanimously carried, the Board ratified the current payment of claims in the amount of \$60,360.22.

b. March 31, 2020 Financials. District Accountant Simmons walked the Board through the March 31, 2020 financials and the 3 funds. As of March 31, 2020, the general fund had a balance of \$60,124; \$2,027,706 in the Capital Fund and \$3,090,051 in the Debt Fund.

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District Accountant Simmons asked the Board if they would like to receive financials more frequently than quarterly. Director Collins asked District Accountant Simmons for a forecast report moving forward regarding operating fund.

Director Collins also asked questions regarding property tax collections; process for the collection of development fees and if the operating budget will run over.

District Accountant Simmons discussed the months the property taxes are collected and if the operating budget exceeds what was budgeted, the District can amend it at any time. He further discussed that when the June financials are completed, the District will have a better understanding and forecast of its financial position.

District Manager Elliott discussed the process of collecting development fees. District Manager Elliott visits the site, counts foundations and bills the Builders for the development fee. She further discussed that TriPointe has paid all of its fees and Lennar and Shea are nearing completion. She will report at the next meeting.

Following discussion, upon motion duly by Director Collins, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Board accepted the financial statement as presented.

Review and consider for approval the 2019 Audit Statements.

District Accountant Simmons reviewed the 2019 draft Audit with the Board, prepared by Stratagem. District Counsel George suggested approving the audit, subject to further review as the audit needs to be filed by July 31.

Following discussion, upon motion made by Director Toussaint, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Board approved the 2019 Audit subject to Board review, and review and approval by the Board President and District Counsel, and a clean opinion from the auditor.

LEGAL MATTERS:

District Counsel George introduced Lisa Mayers of Spencer Fane, LLP. Lisa Mayers handles the issues of covenant enforcement and design review issues.

DIRECTOR MATTERS:

Director Selitrennikoff – Covenant Enforcement Committee (“CEC) and Design Review Committee(DRC). Director Selitrennikoff, Chair for these committees, discussed the recommended committee members for CEC as Angela Elliott, District Manager and ex officio; Dean Mitchell; Alexis Harvey; Michael Quinones; Nate Nowlan and, Diane Shea as ad hoc member.

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Director Selitrennikoff, Chair for the DRC committee, discussed the recommended committee members for DRC as Angela Elliott, District Manager and ex officio; Michele Miller; Rita Cuthbertson; Dale Hutchinson; Kelly Ellis; and, Christopher Anders.

Following discussion upon motion made by Director Toussaint, seconded by Director Collins, upon vote and unanimously carried, the Board approved the appointment of the committee members to the Covenant Enforcement Committee ("CEC") and Design Review Committee ("DRC").

Director Collins – Finance Committee. Director Collins, Chair for this committee, discussed he is seeking 3 or 4 members to participate on this committee. He currently has 2 volunteers: Karl Kasch and Bill Bradley.

Director Collins further notified the Board that he and the finance committee will be meeting with District Accountant Simmons to discuss the audit and finances.

Following discussion upon motion made by Director Collins, seconded by Director Selitrennikoff, upon vote and unanimously carried, the Board approved the appointment of the committee members to the Finance Committee.

Director Toussaint – Communications Committee. Director Toussaint discussed he currently has 1 volunteer, Laura Hinton and is looking for additional volunteers.

Following discussion, upon motion made by Director Toussaint, seconded by Director Collins, upon vote and unanimously carried, the Board approved the appointment of the committee member to the Communications Committee.

Director Pedersen – Buildout Committee. Director Pedersen discussed that developer is finally making progress with the City of Aurora on the trail design. He further discussed that Lennar has had some turnover and is now bringing the new construction manager up to date on outstanding issues at Whispering Pines. Director Pedersen discussed the committees function is to complete the items still outstanding by the builders.

Director Pedersen recommended the appointment of Dan Galasso to serve on the Buildout Committee.

Following discussion upon motion duly made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board approved the appointment of the committee member to the Buildout Committee.

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Director Toussaint – Operations Committee. Director Toussaint discussed the function of this committee will be to evaluate and assess district property operations and maintenance, such as common grounds, pool, clubhouse, etc.

Director Toussaint discussed the appointment of Steve Froom; Farris Hamwi, Carrie Houck and Sommer Williams. He further discussed that he would like a homeowner from the Whispering Pines Patio Villa area.

Following discussion upon motion made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board approved the appointment of the committee members to the Operations Committee.

Discussion and possible action on approval of committee volunteers. Action taken above.

Director Pedersen – Discussion on the Guilford Inclusion. Director Pedersen discussed the inclusion of the Guilford parcel that was part of the 2017 bond issue.

Director Collins discussed that he has already reached out to DA Davidson (Bond Counsel) and District Accountant Simmons to prepare a financial model and summary of the transaction to provide to the Board for review.

Director Selitrennikoff asked what the impact on Sampson Gulch Road will be due to the potential inclusion. Director Pedersen explained there is no impact on Sampson Gulch as the ingress and egress is off Irish Drive to a long cul de sac that will serve 28 homesites, located north of Shea Homes Filing 1. The lots will be similar to the TriPointe homesites. He further stated that the City of Aurora is ready to approve the plat. Director Selitrennikoff requested Director Pedersen to provide the Board with a preliminary plat.

District Counsel George further discussed a public hearing will be required. The sunset date is October 15, which requires special meetings to accomplish the inclusion.

MANAGERS MATTERS:

Discussion and possible action for Reserve Study bid. Manager Elliott discussed the bid she obtained from Association Reserves for a full reserve study with site visit in the amount of \$3,520. The study will assist the Board in a long term plan for setting monies aside for major replacements.

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Discussion followed on what the District has in reserves currently. District Accountant Simmons noted that \$10,000 has been set aside in the 2020 budget.

Following discussion, upon motion made by Director Selitrennikoff, seconded by Director Collins, upon vote and unanimously carried, the Board approved the bid in the amount of \$3,520 for an eight week delivery of a reserve study, with 50% due at signing.

SARIA Update from June 12, 2020 meeting. Manager Elliott distributed a brief summary of the June 12, 2020 meeting. No action needed.

Pool Incidents. Manager Elliott discussed there might be a design flaw in the pump room and will reach out to Waner Construction.

Manager Elliott also discussed the activities of the past weekend at the pool consisting of obscene language; abusing the reservation system; residents walking past the monitor without checking in and at some points of time, we exceeded capacity. She further stated that City of Aurora will issue a citation to violators, resulting in being banned from the property for an entire year.

Manager Elliott further discussed the Century Link hook up will cost around \$8000.

Director Collins asked Manager Elliott for an update on the irrigation at the clubhouse and the historical bound book for directors. Manager Elliott reported these items are still in progress.

Director Toussaint noted that once a communications committee is in place, there will be revisions to the website.

PUBLIC COMMENT:

Connie and Mike Obendorf discussed unfinished sidewalks in the community. District Accountant Simmons discussed the developer is responsible for completing the project. The 2020 budget shows the Developer to advance up to \$75,000 to balance the budget. Developer advance is not a requirement and it is booked as a loan with interest and paid back from future excess revenues.

Mike further talked about the trails and its completion date. Director Pedersen discussed the City of Aurora has been reviewing the plans and revising the original design for over 5 years and therefore no formal deadline.

Nate Nowlan asked about separate rules and guidelines for the estate lots and was told

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there would be separate guidelines from sales people. Director Selitrennikoff explained that all of Whispering Pines is governed by the same Declaration of Covenants and Design Guidelines. District Counsel Mayers explained the guidelines can be amended, however the only specific circumstance for the estate lots is their landscaping requirements of native areas due to the large size of the lots.

Further discussion followed on the 31 estate lots and the Design Review Committee will seek advise from the Board and review different needs of the estate lots in the future.

OTHER BUSINESS: None

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 8:34 p.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on June 30, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL ORGANIZATION BUSINESS MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Thursday, June 11, 2020, at 3:00 p.m., via zoom meeting in light of the COVID 19 pandemic.

ATTENDANCE:

A special organization business meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen (by phone)
Jeff Toussaint (by phone)
Claude Selitrennikoff (by phone)
David Collins (by phone)
Vacancy

Also, present: Tom George and Matt Dalton, District Legal Counsel, Spencer Fane LLP (by phone); District Accountant John Simmons, Simmons and Wheeler (by phone); Michelle Miller, Shea Homes; Angela Elliott, District Manager of Teleos Management Group (by phone); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a special organization business meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 3:04 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

INTRODUCTIONS:

The Board members each introduced themselves, along with the consultants for the District, as some of the community has not seen or met the newly elected board. Michele Miller, Shea Homes, was also introduced as a member to the Design Review Committee.

ELECTION OF OFFICERS:

Upon motion duly made by Director Toussaint, seconded by Director Selitrennikoff, upon vote and unanimously carried, the following board members were elected to their respective office:

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Kent Pedersen	President
Jeff Toussaint	Executive Vice President
Claude Selitrennikoff	Sr. Vice President
Vacancy	Vice President
David Collins	Treasurer
Angela Elliott	Secretary to the Board

ACKNOWLEDGEMENT AND ACCEPTANCE OF SCOTT CUSTER'S RESIGNATION:

Upon motion duly made by Director Selitrennikoff, seconded by Director Toussaint, upon vote and unanimously carried, Scott Custer's resignation was acknowledged and accepted.

LEGAL MATTERS:

Director Collins discussed he will be contacting District Accountant Simmons regarding the 2019 audit. District Manager Elliott noted the District has not received the draft audit and from her understanding auditors are running behind due to COVID -19 restrictions.

Director Collins requested access for the board members to a series of contracts and documents needed from the consultants. Discussion followed on the information be sent electronically but also placed in a formal binder and indexed. District Counsel Dalton and District Manager Elliott will work on the documents electronically and then bind for the board members.

Discussion followed on consultants work on an hourly fee regarding all activities relating to the operating of the District.

DIRECTOR MATTERS:

Meeting Schedule for remainder of 2020. Upon motion made by Director Selitrennikoff, seconded by Director Toussaint, upon vote and unanimously carried, the following dates, location and times were approved for the remainder of 2020:

June 30	6:30PM	Zoom or WebEx
August 18	6:30PM	Clubhouse or Zoom /WebEx
October 27	6:30 PM	Clubhouse
November 24	6:30 PM	Clubhouse

DISCUSSION AND POSSIBLE ACTION ON COMMITTEE CHAIRPERSONS FOR EXISTING COMMITTEES AND PROPOSED NEW COMMITTEES:

Director Toussaint discussed the committees to be formalized for the purpose of providing a point of contact for homeowners; board and community involvement; and,

RECORD OF PROCEEDINGS

June 11, 2020

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status reporting and accountability. He further noted that some of the proposed committees will have sub committees. Each committee will be no more than 5 and no fewer than 1 member(s).

Upon motion duly made by Director Toussaint, seconded by Director Collins, upon vote and unanimously carried the following Committee Chairs were appointed:

Covenant Enforcement and Design Review: Director Selitrennikoff.

Finance Committee: Director Collins

Operations Committee: Director Toussaint. This committee is for all operating business that goes on in the District: including but not limited to: landscaping; meetings of the board; clubhouse and pool; social committee.

Build Out Committee: Director Pedersen.

The above appointed Chairs will solicit volunteers and provide their rosters at the next board meeting to be formally approved.

CLUBHOUSE ACCESS FOR DIRECTORS: Completed

DISTRICT WEBSITE MODIFICATIONS:

Director Toussaint discussed the need to modify the website and will establish a subcommittee for the task.

DISTRICT MAP: Director Pedersen noted it has been prepared but need to add the improvements on the map. The idea behind the map will be for everyone to see who is responsible for what tracts and the schedule to have them completed.

MANAGERS MATTERS:

Pool Monitoring Contract with Rocky Mountain Community Maintenance:

District Manager Elliott discussed the necessity to hire a third party in order to open the pool under COVID 19 and Health Department Restrictions. The contract provides for a monitor daily, checking for waivers, checking reservation lists and also provide sanitizing for \$20,964 from June 20th, through September 7, 2020.

Director Selitrennikoff discussed the grant for special districts due to COVID 19. He further noted that he has started the grant proposal and as soon as we have a firm estimate on the costs to open the pool under the restrictions he will file the grant.

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Following motion duly made by Director Selitrennikoff, seconded by Director Toussaint, the contract with Rocky Mountain Community Maintenance was approved subject to District Counsel review.

Update on Landscaping replacements at Clubhouse: District Manager Elliott discussed several trees in the gas line easement had not been planted for 6 days and was unsure the trees would survive. Further discussed were the irrigation lines and to what clock they run to and also some of the native areas are not irrigation.

Director Pedersen directed Manager to set up a conference call with PCS, landscape architects for the clubhouse Director Pedersen and Manager Elliott, to discuss these matters.

OTHER BUSINESS:


Director Collins asked Manager Elliott for an update on the district emails. Manager Elliott noted they should have the login by early next week.

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 3:58 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the joint meeting held on June 11, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, April 28, 2020, at 9:00 a.m., held at 9193 S. Jamaica Street, 4th Floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen (by phone)
Scott Custer (excused)
Matt Thomas (by phone)
Debra Hessler (by phone)
Jennifer Waiton (by phone)

Also, present: Tom George, District Legal Counsel, Spencer Fane LLP (by phone); District Accountant John Simmons, Simmons and Wheeler (by phone); Michelle Miller, Shea Homes; Angela Elliott, District Manager of Teleos Management Group (by phone); and members of the public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 9:04 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

APPROVE THE AGENDA:

Following discussion and upon motion duly made, seconded, upon vote and unanimously carried, the Board approved the agenda subject to moving Public Comment to end of District business.

APPROVAL OF DIRECTOR CUSTER'S ABSENCE.

Upon motion made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, Director Custer was excused from the April 28, 2020 meeting.

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April 28, 2020

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APPROVAL OF MINUTES:

The Board reviewed the minutes of the regular meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on February 25, 2020. Following discussion upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the minutes of the regular meeting held on February 20, 2020, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

The Board reviewed the minutes of the special meeting held by the Board of Directors of Whispering Pines Metropolitan District No. 1 on March 24, 2020. Following discussion upon motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the minutes of the special meeting held on March 24, 2020, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL ITEMS:

a. Ratify Payment of Claims. The Board received the payment of claims, check #'s 2133 through 2147, totaling \$107,471.54 for ratification.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Thomas, upon vote and unanimously carried, the Board ratified the payment of claims in the amount of \$107,471.54.

The Board reviewed the current payment of claims, check #'s 2148 through 2157 in the amount of \$21,566.14.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Thomas, upon vote and unanimously carried, the Board approved the current payment of claims in the amount of \$21,566.14.

LEGAL MATTERS:

District Counsel George discussed the election taking place on May 5, 2020 for directors. Preliminary results will be available by the end of the evening on election day and will be emailed on Wednesday, May 6th. Election results will not be finalized until the waiting period for UOCAVA ballots has passed and the canvass board has met to certify the results, likely may 13.

Homeowner Toussaint asked about the composition of the canvas board. District Counsel George was not certain who was serving on the canvas board. District Counsel George further discussed that the newly elected directors need to take their oaths of office within 30 days before a notary public or officer of the District. Spencer Fane offers

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notarization through virtual meeting. The Oaths of Office are to be filed with District Court, the Division of Local Government, and the County Clerk.

DIRECTOR MATTERS: None.

MANAGERS MATTERS:

Recommendation by ad hoc committee for lighting section of Design Guidelines. Manager Elliott introduced Homeowner David Collins to discuss the lighting recommendations made by David Collins, Lisa Guignard and Claude Selitrennikoff, ad hoc committee.

David Collins discussed the committee visited the homes in the evening and concentrated on homes in each of the various areas of type of homes and location within community. The lighting recommendations covered four (4) sections: garage carriage lights, front door and back door lights, deck lights; motion sensor security lights; holiday lights; and, landscaping lights.

Discussion followed on the first lighting section also recommended by Aurora Police Department.

Discussion ensued on the motion sensor security lights and the range not extending beyond property line. However, further discussion followed on the range of Ring systems. Ad Hoc Committee will review and revise.

Holiday Lighting discussed the date of installation and timing of lights to be turned off at midnight and that the Clubhouse and community holiday lighting should adhere to the same policy as residential lighting.

Landscaping lights including spotlights and upward lighting of trees were discussed and noted the Guidelines are silent on uplighting. The issue is common that outdoor lighting of landscaping is restricted to one timer. Further discussion followed on options for shields on lighting so light pollution is not excessive; light trespass definition needing to be addressed. Another issue expressed was the issue of darkness in some areas of the community.

The Board discussed moving the topic of lighting to the next meeting and suggested the committee to address the sections per the above discussion and be set up to take action on the lighting recommendations at the June meeting.

PUBLIC COMMENT:

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Barb Toussaint asked when the dead trees at the clubhouse will be replaced. Manager Elliott discussed the landscaper acknowledges the area needs to be addressed but waiting for irrigation to be turned on before work can commence.

Barb Toussaint also said the sidewalk at the corner of Haleyville and Sampson gulch is corrupt and needs repair. Manager Elliott will reach out to builders to inspect.

Jeff Toussaint had four points to discuss: 1) Requested the Board take action now to amend the Administrative Report to change meetings to 7 pm and to be held at the clubhouse. District Counsel George discussed Boards have the capability of holding meeting at any time and as many meetings as the Board's feel are needed to handle district business. The existing Board will defer this item to the new Board in June. 2) Is the District a member of Special Districts Association (SDA). Manager Elliott explained the District has been a member since inception. 3) Are the North Star Homes subject to the same guidelines and a part of the District. Director Pedersen explained North Star purchased the lots on Langdale Way and part of the District and its governing documents. 4) Does the current board have a transition plan for the new board. Director Pedersen discussed the current board will be available for any questions, as well as the consultants have the history as well.

David Collins said a common question from homeowners is when will common areas be done throughout the community. He asked if the \$1.9M in the capital funds was for the use of completion and time schedule. Director Pedersen discussed the \$1.9M in the capital funds is for Guilford project and that he would look into a list of items that still need to be completed and a timeframe.

Lisa Guignard asked when the walks and detention areas will be completed. Director Pedersen discussed 1) the trail is still in the City's hand as they have not approved the final design sent to them months ago. 2) Ponds are still not done because the City changed their design standards so the District will need to make changes once it receives the final design. Director Pedersen said once irrigation is on, the community will be walked and work on the areas in the near future. Lisa Guignard discussed the standing water in the detention area and no grass or sidewalks in the tree lawn on Clifton and would like a timeline. Director Pedersen said it is impossible to give a timeline at this time since we are waiting on the City.

Steven Froom discussed the trash buildup from construction on S. Kewaunee Street. Manager Elliott will follow up with builders to have their contractors clean up consistently.

Tom Lang did not have further comments, all of his concerns have been discussed above.

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Dean Mitchell discussed 2 items: 1) set of stairs near or on the retaining wall adjacent to the path in the Tri Pointe area is not complete. Manager Elliott will email Dean for more details and inspect the area. 2) will storage sheds be allowed on the larger lots. Manager Elliott said they are not allowed and the guidelines are the same for all lots. She further discussed restrictions for the estate lots apply to landscaping because the City is concerned on water usage and therefore allowing the estate lots to incorporate native areas in their yards.

Sommer Williams asked if the pool will be open for the season. Manager Elliott discussed that we are moving forward that it will be opened for the season on Memorial Day, however State of Colorado may implement restrictions that could cause delays. Manager Elliott further discussed distributing key fobs and clubhouse usage is all dependent on COVID restrictions.

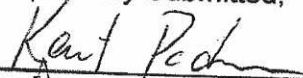
OTHER BUSINESS: None

ADJOURNMENT:

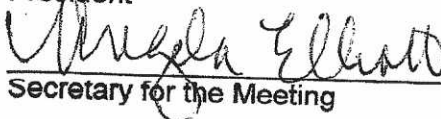
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:30 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the joint meeting held on April 28, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

SPECIAL MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, March 24, 2020, at 9:00 a.m., held at 9193 S. Jamaica Street, 4th Floor, Englewood, Colorado

ATTENDANCE:

A special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen (by phone)
Scott Custer (excused)
Matt Thomas (by phone)
Debra Hessler (by phone)
Jennifer Waiton (by phone)

Also, present: Tom George, District Legal Counsel, Spencer and Fane (by phone); Michelle Miller, Shea Homes (by phone); Angela Elliott, District Manager of Teleos Management Group (by phone).

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a special meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and District Manager Elliott called the meeting to order at 9:03 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT: None

APPROVE THE AGENDA:

Following discussion and upon motion duly made, seconded, upon vote and unanimously carried, the Board approved the agenda.

FINANCIAL ITEMS:

a. Conduct Public Hearing on the proposed Amendment to the 2020 Budget and consider adoption of Resolution to adopt the Amended 2020 Budget.

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On behalf of the Board, District Manager Elliott opened the public hearing to consider the proposed Amendment to the 2020 Budget and discuss related issues.

It was noted that the publication of Notice stating that the Board would consider a second amendment to the budget and the date, time and place of the public hearing was made in a newspaper having general circulation within the District. No written objections were received prior to this public hearing.

No further comments were received, and the public hearing was closed.

Following discussions, the Board considered the Resolution to Amend the 2020 General Fund from \$484,031 to \$472,413.00.

Upon motion duly made by Director Pedersen, seconded by Director Hessler, upon vote and unanimously carried, the District adopted the Resolution for Amendment to the 2020 General Fund Budget.

LEGAL MATTERS: None

DIRECTOR MATTERS: None

MANAGERS MATTERS:

2020 Posting Location: District Manager Elliott noted that at the first meeting of the year special districts are required by statute to identify an official posting location for notices of meetings of the Board of Directors.

Following discussion, upon motion made by Director Pedersen, seconded by Director Waiton, the Board approved the 2020 Posting location, on the website of www.whisperingpinesdistrict.com and at the clubhouse main gate.

OTHER BUSINESS:

District Manager Elliott discussed that upon the request of the candidates running for director positions in May, 2020. she will be emailing the six (6) candidates of the May 5 2020 election to send their biographies and Manager will post on the website early April, 2020.

ADJOURNMENT:

There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 9:17 a.m.

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March 24, 2020

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The foregoing minutes constitutes a true and correct copy of the minutes of the meeting held on March 24, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting

RECORD OF PROCEEDINGS

REGULAR MEETING OF THE BOARD OF DIRECTORS OF WHISPERING PINES METROPOLITAN DISTRICT NO. 1

HELD: Tuesday, February 25, 2020, at 9:00 a.m., held at 9193 S. Jamaica Street,
4th Floor, Englewood, Colorado

ATTENDANCE:

A regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, City of Aurora, Arapahoe County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado; a conference telephone was in use at the meeting location in compliance with C.R.S. 11-57-211 and 24-6-402-(1)(b), with the following directors present and acting:

Kent Pedersen
Scott Custer (excused)
Matt Thomas
Debra Hessler
Jennifer Waiton

Also, present: Matt Dalton, District Legal Counsel, Spencer and Fane (by phone); District Accountant John Simmons, Simmons and Wheeler; Michelle Miller, Shea Homes; Angela Elliott, District Manager of Teleos Management Group; and public.

CALL TO ORDER:

The Board noted that a quorum was present for the purpose of conducting a regular meeting of the Board of Directors of Whispering Pines Metropolitan District No. 1, and the meeting was called to order at 9:01 a.m.

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:

The Board noted that disclosure statements had been filed on behalf of the members of the Board of Directors with the Office of the Colorado Secretary of State and with the Board of Directors of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

PUBLIC COMMENT:

Homeowner Hutchinson asked if the minutes could be expanded as questions asked and answered were not detailed in the November 19 minutes. Manager Elliott explained as a matter of clarity, the meeting minutes are intended to reflect items for which the Board takes action. The minutes are not intended to capture all topics of discussion at a meeting. Manager Elliott will use best efforts to expand on discussion items.

Homeowner J. Toussaint discussed that the issues of dead trees in the community; the deficiency in landscaping; and stakes on trees are still not addressed. Manager Elliott said the trees are in warranty with the installers and will be replaced this season and

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weather permitting. Manager Elliott will walk with Landscapers to look at the staked trees and see if they can be removed this year.

Homeowner Hutchinson discussed that when the detention area was sprayed with noxious weeds the landscapers must have over sprayed as some of the trees appear to be dead now. Manager Elliott will walk with Landscapers to look at the area.

Homeowner Kasch talked about winter watering trees. Manager Elliott discussed that landscaping checks the moisture levels and advise Manager Elliott when they watering during dry months.

Homeowner Rita discussed that she watched the company installing trees that were just planted in the ground with no soil amendment.

Homeowner B. Toussaint discussed that Sampson Gulch sidewalk was missed a couple of times during snow storms. Manager Elliott explained that 2 inches is the trigger depth and when something is missed in snow removal to contact her and she will have the crew back out there as soon as possible.

Homeowner B. Toussaint asked when the structures over the remaining mailboxes will be installed. Director Pedersen said that all structures have been installed and the plan was never to add structures to every mailbox kiosk.

Homeowner Lundy discussed she would also like to see more detail in the minutes for discussion areas. Manager Elliott reiterated as a matter of clarity, the meeting minutes are intended to reflect items for which the Board takes action. The minutes are not intended to capture all topics of discussion at a meeting, but will use best efforts to expand.

Homeowner B. Toussaint asked why the trail was not done. Director Pedersen discussed that City of Aurora has not approved the upper portion and waiting for their approval. Discussion followed on the grade of some of the areas, bends and curves in the trail to avoid removing trees.

APPROVE THE AGENDA:

Following discussion and upon motion duly made, seconded, upon vote and unanimously carried, the Board approved the agenda.

APPROVAL OF MINUTES:

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The Board reviewed the minutes of the special meeting held by the Joint Board of Directors of Whispering Pines Metropolitan District No. 1 and No. 2 on November 19, 2019. Following discussion on the error of \$75,00 and correcting it to read \$75,000 on page 3 of public comment. upon motion duly made by Director Pedersen, seconded by Director Thomas, upon vote and unanimously carried, the Board approved the minutes, as corrected, of the special meeting held on November 19, 2019, and authorized Director Pedersen to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

FINANCIAL ITEMS:

a. Ratify Payment of Claims. The Board received the payment of claims, check #'s 2084 through 2123, totaling \$426,170.79 for ratification.

Following discussion, on motion duly made by Director Thomas, seconded by Director Pedersen, upon vote and unanimously carried, the Board ratified the payment of claims in the amount of \$426,170.79.

The Board reviewed the current payment of claims, check #'s 2124 through 2132 in the amount of \$14,726.63.

Following discussion, on motion duly made by Director Pedersen, seconded by Director Waiton, upon vote and unanimously carried, the Board approved the current payment of claims in the amount of \$14,726.63.

b. Financial Statement. District Accountant Simmons walked the Board and public present through the financial statement as of December 31, 2019.

District Accountant Simmons explained governmental accounting and further explained the District operates as if we have funds. There are 3 funds: operating; capital and debt service funds.

16.669 mills are for the operating fund. The District has \$0.00 in the General Fund because developers fund the deficiency if not sufficient revenue to operate. The General Fund took in \$310,065 and developers funded \$109,000 to help pay the expenses. District Accountant Simmons walked the Board and homeowners through the expense items. He further explained that the contingency line item is to make the budget balance and the reserve line item is required by Tabor that Districts must hold 3% for emergency and usually never spend the reserve item.

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The District has \$2,035,889.00 in the Capital fund which is for the infrastructure that is built and paid by the bonds and the 3 builders/developers. The fund should be sufficient to complete the remaining infrastructure. Homeowner Kasch asked what capital improvements were put in and if the advances are being tracked and if the balance in this fund is sufficient to pay for the remaining capital improvements. District Accountant Simmons said the advances are being tracked on what is owed to the builders/developers and repayment is subordinate to the bonds. Director Pedersen will provide a breakdown of the funds spent for capital improvements and will review what is remaining to complete.

The Debt Service Fund as of December 31, 2019 is \$2,540,990.00. District Accountant Simmons explained this is where the majority of homeowner taxes go, along with the Development fee of \$5000 per lot and paid to District when foundations are permitted.

District Accountant Simmons explained interest only is paid on the bonds but in 2025 the District will start paying principal and the bonds mature in 2047. Interest rate is 4% and we have a Call Protection Plan of 10 years from issuance. At that time the District can refinance. Further discussion followed on more homes that are built or at build out, the District can get a lower interest rate.

Following discussion, upon motion duly by Director Hessler, seconded by Director Thomas, upon vote and unanimously carried, the Board accepted the financial statements as presented.

c. Discussion on 2020 budget. District Accountant Simmons discussed the 2020 budget and recommendation to amend the budget. The 2020 budget was reviewed now that all expenses for 2019 are finalized providing a better forecast for 2020.

District Accountant Simmons walked the Board and homeowners through the amended 2020 budget discussing that insurance was increased from \$8500 to \$16000 because of the pool and clubhouse; pet waste stations was added as an expense of \$1400 for maintenance of pet waste stations; utilities raised from \$30,000 to \$40,000 and irrigation repairs from \$4000 to \$10,000. Developer advance for 2020 was reduced to \$75,271. District Accountant Simmons explained that approximately 110 homes were closed in 2019 and will raise income \$450,000 in 2021. All 3 builders/developers will be out of the project at the end of the 2020 and will not be advancing funds after 2020.

Homeowner Kasch discussed how some districts do special assessments for expenses that exceed their revenue. District Accountant Simmons discussed there was not a cap on the operating mill levy and the District can raise operating mill levy if they need more

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funds in the future. Manager Elliott discussed that the District works diligently on keeping the expenses down to avoid any "user fee".

Homeowner Kasch discussed the \$25,000 line item for elections seems high and can a 3rd party be hired to do the ballot mailing? Manager Elliott discussed it was an estimate and expensed on the high side. District Counsel Dalton discussed that the District's expense for elections should be less. The District can either designate a polling place, like the clubhouse, or have a 3rd party, like CRS conduct the mail ballots.

Following discussion, upon motion made by Director Thomas, seconded by Director Pedersen, upon vote and unanimously carried, the Board directed District Counsel Dalton to secure a proposal from CRS for mail ballots and to proceed if proposal is acceptable and keeping the election cost under \$25,000.

Further discussion followed on the amending the 2020 budget and when to hold special meeting.

Following discussion, upon motion made by Director Thomas, seconded by Director Hessler, upon vote and unanimously carried, the Board moved to hold a Special Meeting and Budget Hearing and directed Manager Elliott to poll the board for date.

LEGAL MATTERS:

Election Update: Manager Elliott discussed that as of now, we have 6 self-nominations for 3 open positions.

Homeowner J. Toussaint corrected Manager Elliott on the agenda to reflect Director Waiton's term is up this year and Director Custer's term is up 2022. Manager will correct.

DIRECTOR MATTERS: None.

MANAGERS MATTERS:

Directory Update:

Manager Elliott has reached out to Social Chair and coming up with a strategy of compiling a community directory on the website.

Manager Elliott also discussed that she will reach out to the ad hoc lighting committee to have a recommendations at the April 28 meeting.

Update on Report filings.

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Manager Elliott discussed that the following reports have been filed since the last meeting: Mill levy certified on December 15, 2019; January 1 map filing; 2020 transparency notice to electors; filing of the 2020 budget resolution; filing of the amended 2019 budget; and, quarterly report to the bondholders.

OTHER BUSINESS:

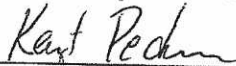
Homeowner Kasch asked Manager Elliott about the South Aurora Regional Improvement Authority (SARIA) District. Manager Elliott explained she sits on the Board and that this is the entity that receives 1.113 mills from the taxes. Last year, SARIA issued \$11,000,000 in bonds for infrastructure. Manager Elliott will provide reports of the meetings and as of this year, there has not been a meeting.

ADJOURNMENT:

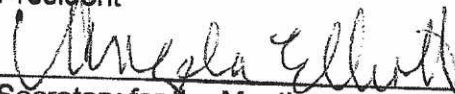
There being no further business to come before the Board of Directors at this time, upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 10:06 a.m.

The foregoing minutes constitutes a true and correct copy of the minutes of the joint meeting held on February 25, 2020 and was approved by the Board of Directors of the Whispering Pines Metropolitan District No. 1.

Respectfully Submitted,



President



Secretary for the Meeting