

MINUTES OF A JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS OF

WESTERLY METROPOLITAN DISTRICT NOS. 1-4

Held: Wednesday, October 28, 2020 at 10:00 a.m.

The meeting was held via teleconference due to the State of Emergency declared by Governor Polis and Public Health Order 20-23 Implementing Social Distancing Measures, and threat posed by the COVID-19 coronavirus.

Attendance

The special meeting of the Boards of Directors of the Westerly Metropolitan District Nos. 1-4, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

Heidi Jo Majerik
Alex Woodin
Patrick Chelin
Todd Johnson
John Prestwich

Also present: Zachary P. White, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel and Jason Carroll, Clifton Larson Allen, District Accountant.

Call to Order

It was noted that a quorum of the Boards was present and the meeting was called to order.

The Boards of Directors of the Districts have determined to hold joint meetings of the Districts and to prepare joint minutes of action taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

**Conflict of Interest
Disclosures**

Mr. White reported that disclosures for those directors that provided White Bear Ankele Tanaka & Waldron with notice of potential or existing conflicts of interest were filed with the Secretary of State's Office and the Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Board. Mr. White inquired into whether members of the Boards had any additional disclosures of potential or existing conflicts of interest with regard to any matters scheduled for discussion at the meeting. Directors Majerik and Woodin disclosed their affiliation with Southern Land Company, LLC and Erie Land Company, LLC and indicated they would abstain from discussion and voting with respect to matters involving Southern Land Company, LLC and Erie Land Company, LLC. No additional

disclosures were noted. The participation of the members present was necessary to obtain a quorum or to otherwise enable the Boards to act.

Agenda

Mr. White presented the Boards with the agenda for the meeting for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as amended.

Public Comment

None.

Consent Agenda

Mr. White advised the Boards that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested to be removed from the consent agenda. Upon a motion duly made and seconded, the following items on the consent agenda were unanimously approved, ratified and adopted:

- a. Minutes from July 2, 2020 Organizational Meeting
- b. 2021 Joint Annual Administrative Resolution
- c. Renewal of Property and Liability Schedule and Limits
- d. Insurance Renewal for 2021
- e. Filing of Exclusion of Uncompensated Public Officials form for 2021 Policy Period

Legal Matters

Consider Approval of Transaction Based Informed Consent re Coordinating Services Agreement

Mr. White presented the Boards with the Transaction Based Informed Consent re Coordinating Services Agreement for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the Transaction Based Informed Consent re Coordinating Services Agreement and White Bear Ankele Tanaka & Waldron's representation of the Districts with respect to the Coordinating Services Agreement.

Consider Approval of Coordinating Services Agreement

Mr. White presented the Boards with the Coordinating Services Agreement for consideration and described the purpose of the Agreement. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agreement as presented.

Consider Approval of Operations Funding and Reimbursement Agreement with Erie Land Company, LLC

Mr. White presented the Board of District No. 1 with the Operations Funding and Reimbursement Agreement with Erie Land Company, LLC for consideration and described the purpose of the agreement. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the agreement. Directors Majerik and Woodin abstained for the discussion and voting.

Consider Approval of

Mr. White presented the Board of District No. 1 with the

Infrastructure Acquisition and Reimbursement Agreement with Erie Land Company, LLC

Infrastructure Acquisition and Reimbursement Agreement with Erie Land Company, LLC for consideration. Mr. White described the purpose for the agreement and the process by which costs incurred by the Developer can be submitted to District No. 1 for reimbursement. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the agreement.

Consider Approval of Engagement Letter with Ranger Engineering for Cost Certification Services

Mr. White presented the Board of District No. 1 with the Engagement Letter with Ranger Engineering for Cost Certification Services for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the engagement of Ranger Engineering.

Discussion and Consider Website Options and Consider Approval of Independent Contractor Agreement with Heatherly Creative, LLC for Website Services

The Board engaged in general discussion regarding options for the creation and maintenance of a District website. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the Independent Contractor Agreement with Heatherly Creative, LLC for Website Services.

Financial Matters

Ratify Engagement Letter with CliftonLarsonAllen, LLLP for District Accounting Services

The Boards reviewed the Engagement Letter with CliftonLarsonAllen, LLLP for District Accounting Services. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the engagement of CliftonLarsonAllen, LLLP as District Accountant.

Consider Approval of Joint Resolution Concerning the Imposition of Capital Facilities Fees

Mr. White presented the Boards with the Joint Resolution Concerning the Imposition of Capital Facilities Fees for consideration. Mr. White explained the purpose for the resolution and the use of the fees collected under the resolution. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the resolution, subject to any comments recommended by bond counsel.

Conduct Public Hearings on 2020 Budget Amendments

Director Majerik opened the public hearings on the 2020 Budget Amendments. Mr. White noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

It was determined that amendments were not needed for District Nos. 1, 2 and 3.

Mr. Carrol reviewed the Resolution Amending the 2020 Budget with the Board of District No. 4. The purpose of the amendment is to appropriate funds in the event the District is able to close on its

proposed bonds before the close of 2020. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously adopted the resolution amending the Capital Projects Fund to \$37,342,188.25 and the Debt Service Fund to \$ 145,833.33.

Conduct Public Hearing on
2021 Budgets

Director Majerik opened the public hearing on the proposed 2021 Budgets. Mr. White noted that the notice of public hearing was provided in accordance with Colorado law. No written objections have been received prior to the meeting. There being no public comment, the hearings were closed.

Consider Approval of
Resolution Adopting the
2021 Budget

Mr. Carroll reviewed the proposed 2021 Budgets with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolutions adopting the 2021 Budgets, appropriating funds therefor and certifying mill levies as follows:

District No. 1: 10.000 mills in the general fund and 61.230 mills in the debt service fund; District No. 2: 10.000 mills in the general fund and 61.230 mills in the debt service fund; District No. 3: 10.000 mills in the general fund and 61.230 mills in the debt service fund; and District No. 4: 10.000 mills in the general fund and 61.230 mills in the debt service fund.

Bond Matters

*Consider Ratification of
Engagement of North Slope
Capital Advisors for
Financial Advisor Services*

The Board of District No. 4 reviewed the Engagement Letter from North Slope Capital Advisors for Financial Advisor Services. Following discussion, upon a motion duly made and seconded, the Boards unanimously ratified the engagement of North Slope Capital Advisors.

*Discussion re Engagement of
Special Counsel re Capital
Pledge Agreement*

Mr. White discussed with the Boards the need for a capital pledge agreement associated with the issuance of the District No. 4 bonds. Bond counsel will draft the capital pledge agreement on behalf of District Nos. 4, and Mr. White discussed with the Boards for District Nos. 1, 2, and 3, the engagement of special counsel to review the capital pledge agreement on their behalf. The Boards of District Nos. 1, 2, and 3 engaged in a discussion regarding the engagement of special counsel to review the capital pledge agreement and directed legal counsel to request and engagement letter form Anne Bensard when she joins Kutak Rock in December 2020.

Bond Status Update

Mr. White discussed the bond issuance schedule and process with the Boards. Director Majerik updated the Boards regarding her discussions with DA Davidson & Company regarding underwriting and timing for issuance of the bonds. No action was taken.

Other Financial Matters

Mr. Carroll discussed with the Boards the need to open bank accounts. Following discussion, upon a motion duly made and

seconded, the Boards unanimously authorized Mr. Carroll to establish bank accounts with Directors Majerik and Woodin as the authorized signers.

Mr. Carroll proposed to the Boards the use of Bill.com for the payment of invoices. Following discussion, upon a motion duly made and seconded, the Boards unanimously authorized Mr. Carroll to establish bank accounts with Directors Majerik and Woodin as the authorized signers.

Other Business

None.

Adjournment

There being no further business to come before the Boards, and following discussion and upon motion duly made, seconded, and unanimously carried, the Boards determined to adjourn the meeting.

The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting