

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

WESTERLY METROPOLITAN DISTRICT NOS. 1-4

Held: Friday, January 22, 2021 at 12:30 a.m.
400 Powers Street, Erie, Colorado 80516

The meeting was also 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., and Dan Cordova, White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Jason Carroll, Clifton Larson Allen, District Accountant; Anne Bensard, Kutak Rock, LLP; Stephanie Chichester, North Slope Capital Advisors; and Shelby Turner, Piper Sandler & Co.

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 as a potential conflict of interest with the Bonds since Southern Land Company and its affiliates are likely to be reimbursed with proceeds. 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

No public were present in the meeting.

Legal Matters

Consider Adoption of Joint Resolution Regarding Implementation of Common Plan of Finance

Mr. White presented the Boards with the Joint Resolution Regarding Implementation of Common Plan of Finance for consideration. Mr. White discussed the need for the resolution to link District No. 4 and District No. 1 for purposes of using bond proceeds from District No. 4's bonds to reimburse costs accepted by District No. 1. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the resolution.

Financial Matters

Consider Approval to Establish Bank Account and Execution of Associated Document

Mr. Carrol discussed the status of establishing District Bank Accounts and the execution of related documents with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the execution of required documents to establish the District Bank Accounts.

Bond Matters

Engagement Letters

Consider Approval of Special Bond Fee Disclosure Letter from White Bear Ankele Tanaka & Waldron (District No. 4)

Mr. White reviewed the Special Bond Fee Disclosure Letter from White Bear Ankele Tanaka & Waldron with the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously approved the letter.

Consider Ratification of Engagement Letter with Piper Sandler & Co. for Investment Banking Services (District No. 4)

The Board of District No. 4 reviewed the Engagement Letter with Piper Sandler & Co. for Investment Banking Services. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously ratified approval of the engagement letter.

Consider Approval of Engagement Letter with

The Board of District No. 4 reviewed the Engagement Letter with Sherman & Howard for Disclosure Counsel and Bond Counsel

Sherman & Howard for Disclosure Counsel and Bond Counsel Services (District No. 4)

Services. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously approved the engagement letter.

Consider Ratification of Engagement Letter with CliftonLarsonAllen for Cash Flow Analysis Services (District No. 4)

The Board of District No. 4 reviewed the Engagement Letter with CliftonLarsonAllen for Cash Flow Analysis Services. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously ratified approval of the engagement letter.

Consider Approval of Engagement Letter with Kutak Rock for Special Counsel Services (District Nos. 1-3)

The Boards of District Nos. 1-3 reviewed the Engagement Letter with Kutak Rock, LLP for Special Counsel Services. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1-3 unanimously approved the engagement letter.

Consider Adoption of Resolution Approving Capital Pledge Agreement (District No. 1)

Ms. Turner discussed the proposed bond issuance for District No. 4 and structure for repayment, including the pledge of revenue from District Nos. 1-3 (the “Pledge Districts”). Ms. Bensard described her engagement as special counsel to the Pledge Districts to review the proposed Capital Pledge Agreement. Ms. Bensard described the obligations of the District No. 1 under the agreement. The Board of District No. 1 reviewed a Resolution Approving Capital Pledge Agreement. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the Resolution authorizing District No. 1 to enter into a multiple fiscal year financial obligation in the form of a Capital Pledge Agreement pursuant to which District No. 1 is to impose, collect, pay and pledge certain ad valorem property revenues to District No. 4 in connection with the issuance by District No. 4 of its General Obligation Limited Tax Bonds, Series 2021A-1, General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2021A-2, and Subordinate General Obligation Limited Tax Bonds, Series 2021B; approving such Capital Pledge Agreement and authorizing the execution and delivery thereof by District No. 1; authorizing the execution and delivery of other documents and certificates relating thereto; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions.

Consider Adoption of Resolution Approving Capital Pledge Agreement (District No. 2)

Ms. Bensard described her engagement as special counsel to the Pledge Districts to review the proposed Capital Pledge Agreement. Ms. Bensard described the obligations of the District No. 1 under the agreement. The Board of District No. 2 reviewed a Resolution Approving Capital Pledge Agreement. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously approved the Resolution authorizing District No. 2 to

enter into a multiple fiscal year financial obligation in the form of a Capital Pledge Agreement pursuant to which District No. 2 is to impose, collect, pay and pledge certain ad valorem property revenues to District No. 4 in connection with the issuance by District No. 4 of its General Obligation Limited Tax Bonds, Series 2021A-1, General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2021A-2, and Subordinate General Obligation Limited Tax Bonds, Series 2021B; approving such Capital Pledge Agreement and authorizing the execution and delivery thereof by District No. 2; authorizing the execution and delivery of other documents and certificates relating thereto; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions.

Consider Adoption of
Resolution Approving
Capital Pledge Agreement
(District No. 3)

Ms. Bensard described her engagement as special counsel to the Pledge Districts to review the proposed Capital Pledge Agreement. Ms. Bensard described the obligations of the District No. 1 under the agreement. The Board of District No. 31 reviewed a Resolution Approving Capital Pledge Agreement. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously approved the Resolution authorizing District No. 3 to enter into a multiple fiscal year financial obligation in the form of a Capital Pledge Agreement pursuant to which District No. 3 is to impose, collect, pay and pledge certain ad valorem property revenues to District No. 4 in connection with the issuance by District No. 4 of its General Obligation Limited Tax Bonds, Series 2021A-1, General Obligation Limited Tax Convertible Capital Appreciation Bonds, Series 2021A-2, and Subordinate General Obligation Limited Tax Bonds, Series 2021B; approving such Capital Pledge Agreement and authorizing the execution and delivery thereof by District No. 3; authorizing the execution and delivery of other documents and certificates relating thereto; approving, ratifying and confirming other actions; making determinations and findings as to other matters related to such financing transaction; authorizing incidental action; and repealing prior inconsistent actions.

Consider Approval of
Resolution Authorizing the
Issuance of General
Obligation Limited Tax
Bonds, Series 2021A-1,
General Obligation Limited
Tax Convertible Capital
Appreciation Bonds, Series
2021A-2, and Subordinate
General Obligation Limited
Tax Bonds, Series 2021B, in
the combined aggregate

Ms. Turner provided the Board of District No. 4 with an overview of the proposed bond issuance and current market conditions and answered questions. Ms. Leichman reviewed the Resolution and described the parameters and authorizations included therein. Finally, Ms. Chichester discussed with the Board her actions and recommendations as financial advisor to District No. 4 related to the proposed bond issuance.

Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously approved the Resolution Authorizing the Issuance of General Obligation Limited Tax Bonds, Series 2021A-1, General Obligation Limited Tax Convertible

principal amount of up to \$50,000,000

Capital Appreciation Bonds, Series 2021A-2, and Subordinate General Obligation Limited Tax Bonds, Series 2021B, in the combined aggregate principal amount of up to \$50,000,000 for the purpose of paying or reimbursing the costs of public improvements serving the residents and taxpayers of the District; approving, ratifying, and confirming the execution of certain related agreements and documents; making determinations and findings as to other matters related to such financing transactions; authorizing incidental action; and repealing prior inconsistent actions, as presented. Directors Majerik and Woodin abstained from the vote.

Other Bond Matters

None

Other Business

None.

Adjourn

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