

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS OF THE
WESTERLY METROPOLITAN DISTRICT NOS. 1-4

Held: Thursday, November 11, 2021 at 10:00 a.m.

The meeting was held via teleconference.

Attendance

The regular 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. 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 to include Consider Approval of Change Order No. 2 to HEI Contract

under Construction Matters.

Public Comment

No public were present in the meeting.

Consent Agenda

The Boards reviewed the items on the 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:

- October 14, 2021 Meeting Minutes
- 2022 Joint Annual Administrative Resolution

Insurance Matters

Consider Approval of Property and Liability Schedule and Limits and Renewal for 2022

The Board reviewed the current general liability schedule and limits. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the general liability schedule and authorized legal counsel to bind coverage for 2022.

Legal Matters

Consider Approval of Resolution re Acceptance of District Eligible Costs incurred by Erie Land Company, LLC

Mr. White presented the Resolution Regarding Acceptance of District Eligible Costs (Acceptance No. 9) Incurred by Erie Land Company, LLC to the Boards of District Nos. 1 and 4 for consideration. Following discussion, upon a motion duly made and seconded, the Boards of District Nos. 1 and 4 approved the Joint Resolution Regarding Acceptance of District Eligible Costs (Acceptance No. 9) Incurred by Erie Land Company, LLC and the Board of District No. 4 approved the related Project Fund Requisition under the Westerly Metropolitan District No. 4 Indenture of Trust Dated February 19, 2021 General Obligation Limited Tax Bonds, Series 2021A.

Consider Approval of Resolution Calling May 3, 2022 Election

Mr. White presented the Boards with the Joint Resolution Calling Election for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolution.

Designation of Method for Providing Notice of Call for Nominations

The Boards discussed the various methods for providing Notice of a Call for Nominations. Following discussion, the Boards determined to that in addition to emailing to each registered elector notice of the call for nominations will be provided by publication.

Discuss District Website Requirements Setup NLT January 1, 2023 and Consider Approval of Proposal for Website Creation Services

Mr. White discussed the requirements for the creation of a District website with the Boards. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously approved the agreement with Heather Sosa for creation and ongoing maintenance of a website for the Districts.

Consider Approval of Development and Cost Reimbursement Agreement

Mr. White presented the agreement with FS Erie Estates, LLC to reimburse District No. 1 for off-site improvements. The Board of District No. 1 discussed the improvement plans and the costs to be reimbursed.

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Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agreement subject to final comments from FS Erie Estates, LLC.

Construction Matters

Construction Status Update

No construction update was presented.

Review and Consider Acceptance of Cost Verification Report

Mr. White presented the new form of report to the Board and noted Ranger Engineering has reviewed the District's construction contract pay applications for approval. Ranger Engineering also tracks developer contracts and reimbursement amounts. Upon a motion duly made and seconded, the Board of District No. 1 accepted the Engineer's Report and Certification No. 9.

Consider Approval of Independent Contractor Agreement with Southern Land Company for Construction Management Services

Mr. White update the Board of District No. 1 that an Invitation to Bid for construction management services had been published. No bids were received. It was noted that Southern Land Company has been acting as construction manager and they have offered to serve as official construction manager. The Board discussed a proposed Independent Contractor Agreement for Construction Management Services and the consideration provisions. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 approved the agreement, subject to final comments by Southern Land Company.

Consider Approval of Change Order 2 to HEI Contract

The Board of District No. 1 reviewed Change Order 2 to the construction agreement with HEI Civil. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 approved the Change Order.

Financial Matters

Consider Approval Claims/Financials

None.

Conduct Public Hearing on 2021 Budget Amendments and Consider Adoption of Resolutions Amending 2021 Budget

Director Majerik opened the public hearings on the 2021 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 an amendment was not needed for District No. 2.

Mr. Carrol reviewed the Amendment to the 2021 Budget with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously adopted the resolution amending the General Fund to \$120,150.

Mr. Carrol reviewed the Amendment to the 2021 Budget with the Board of District No. 3. Following discussion, upon a motion duly made and seconded, the Board of District No. 3 unanimously adopted the resolution amending the General Fund to \$140, and the Capital Project Fund to \$855.

Mr. Carrol reviewed the Amendment to the 2021 Budget with the Board of District No. 4. Following discussion, upon a motion duly made and seconded, the Board of District No. 4 unanimously adopted the resolution amending the Capital Project Fund to \$41,002,192.

Conduct Public Hearing on 2022 Budgets and Consider Adoption of Resolution Adopting 2022 Budget, Imposing Mill Levy and Appropriating Funds

Director Majerik opened the public hearing on the proposed 2022 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.

Mr. Carroll reviewed the proposed 2022 Budgets with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously adopted the resolutions adopting the 2022 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.

Discussion re 2021 Audit

The Boards discussed the need for 2021 audits and requested Mr. Carrol to request and provide proposals for auditors at a subsequent meeting.

Approval of Master Service Agreement, Special Districts Preparation Scope of Work, and Payroll Services Scope of Work with Clifton Larson Allen LLP for District Accounting Services

Deferred.

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

The foregoing minutes were approved by the Boards of Directors on the 13th day of January, 2022.