

MINUTES OF THE SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

HIGHLANDS METROPOLITAN DISTRICT NO. 2

Held: Wednesday, October 28, 2020, at 5:00 p.m., via
teleconference

Due to the Executive Orders issued by Governor Polis and Public Health Orders implementing the Executive Orders issued by the Colorado Department of Health and Environment, and the threat posed by the COVID-19 coronavirus, this meeting will be held via teleconference.

Attendance

The special meeting of the Board of Directors of the Highlands Metropolitan District No. 2, 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 Board, were in attendance:

James Spehalski
Allison Rochester
Gavin Adams
Devon Schad
Lloyd Rochester

Also present were Kristin B. Tompkins, Esq., White Bear Ankele Tanaka & Waldron, Attorneys at Law, District General Counsel; Shelby Turner, D.A. Davidson & Company, Inc., and Diane Wheeler, Simmons & Wheeler, P.C., District Accountant, and the following residents: John Hostetler, Mrs. Baloney, Sarah Taylor, and Rhonda Bergman.

Call to Order

Ms. Tompkins noted that a quorum of the Board was present and called the meeting to order.

Conflict of Interest Disclosures

Ms. Tompkins advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Tompkins 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 Board at least 72 hours prior to the meeting, in accordance with Colorado

law, and those disclosures were acknowledged by the Board. Ms. Tompkins inquired into whether members of the Board 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 Board to act.

Administrative Matters

Agenda

Ms. Tompkins presented the proposed agenda to the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agenda, as presented.

Public Comment

None.

Financial Matters

Potential Refinancing of 2016 Bonds

Ms. Turner presented the Board with options for a potential refinancing of the 2016 Bonds for consideration. Ms. Turner reviewed the term sheets from Vectra and BBVA.

Consider Approval of Bank Proposals

Ms. Turner presented the Board with the Bank proposals for consideration. Following discussion, upon a motion duly made and seconded, the Board unanimously approved moving forward with Vectra to acquire a twenty (20) year bank loan with the possibility for future draw option for additional proceeds and approved engaging D.A. Davidson & Co. and Ballard Spahr, LLP.

Information Related to the Community Pool

Following discussion, it was noted that Director Spenhalski continues to obtain costs.

Other Financial Matters

None.

Other Business

None.

Adjournment

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

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

Lloyd Rochester
Lloyd Rochester (Dec 7, 2020 11:57 MST)

Officer of the District

The foregoing minutes were approved by the Board of Directors on the 3rd day of December, 2020.