

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING OF
THE BOARD OF DIRECTORS OF THE
VILLAGES AT CASTLE ROCK METROPOLITAN DISTRICT NO. 6
HELD
JULY 8, 2021**

A Special Meeting of the Board of Directors of The Villages at Castle Rock Metropolitan District No. 6 (referred to hereafter as the “Board”) was convened on Thursday, the 8th day of July, 2021, at 11:30 a.m. The meeting was open to the public.

Due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by Zoom video/telephone conference. Mr. Cohrs was present at the physical location at the Philip S. Miller Library, GSWC Conference Room, 100 S. Wilcox Street, Castle Rock, CO 80104. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Robert Martin
Stanley DePue
William Paris
Nancy Boehler
Eric Kubly

Also In Attendance Were:

Ann E. Finn and Matt Cohrs; Special District Management Services, Inc. (Mr. Cohrs also present at the physical meeting location)

MaryAnn M. McGeady, Esq. and Suzanne Meintzer, Esq.; McGeady Becher P.C.

Lindsay Ross; CliftonLarsonAllen LLP

Michael Baldwin, Aliraza Hassan and Simon Wirecki; Jefferies LLC

Kamille Curylo, Esq. and Joshua Kerstein, Esq.; Kutak Rock LLP

Nick Taylor; North Slope Capital Advisors

DISCLOSURE OF POTENTIAL CONFLICTS OF

Disclosure of Potential Conflicts of Interest: The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of

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INTEREST

Directors and to the Secretary of State. Ms. Finn noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those disclosures made by the Board members prior to this meeting in accordance with the statute. Attorney McGeady noted that conflict disclosure statements for Directors Kubly and Martin have been filed, and no additional disclosures were made at the meeting.

ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Special Meeting.

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Agenda was approved, as amended.

Meeting Location/Manner and Posting of Meeting Notice: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. The Board noted that due to concerns regarding the spread of the coronavirus (COVID-19) and the benefits to the control of the spread of the virus by limiting in-person contact, the District Board meeting was held by Zoom video/telephone conference. Mr. Cohrs was present at the at the physical location at the Philip S. Miller Library, GSWC Conference Room, 100 S. Wilcox Street, Castle Rock, CO 80104.

Ms. Finn reported that notice was duly posted and that no objections to the video/telephonic manner of the meeting or any requests that the video/telephonic manner of the meeting be changed by taxpaying electors within the District boundaries have been received.

Minutes: The Board reviewed the Minutes of the June 17, 2021 Special Meeting and the June 23, 2021 Special Meeting.

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the Minutes of the June 17, 2021 Special Meeting and the June 23, 2021 Special Meeting were approved, as presented.

PUBLIC COMMENT

There were no public comments.

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FINANCIAL MATTERS

2020 Audit: Ms. Ross reviewed the draft 2020 Audit with the Board.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue, and upon vote, unanimously carried, the Board approved the 2020 Audited Financial Statements and authorized execution of the Representations Letter, subject to final legal review and receipt of an Unmodified Opinion Letter from the Auditor.

LEGAL MATTERS

Issuance of the District's Limited Tax General Obligation Refunding Bonds, Series 2021A (the "Series 2021A Senior Bonds"), and the District's Subordinate Limited Tax General Obligation Refunding Bonds, Series 2021B (the "Series 2021B Subordinate Bonds" and together with the Series 2021A Senior Bonds, the "Bonds"), in a combined maximum aggregate principal amount for the Bonds of up to \$65,000,000:

Executive Session: Pursuant to Section 24-6-402(4) of the Colorado Revised Statutes, upon motion duly made by Director Paris seconded by Director DePue and upon an affirmative vote of at least two-thirds of the quorum present, the Board convened in executive session at 11:46 a.m. for the purpose of receiving legal advice on specific legal questions regarding debt restructuring, as authorized by Sections 24-6-402(4)(b) and (e), C.R.S.

Furthermore, pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., no record will be kept of those portions of the executive session that, in the opinion of the Board's attorney, constitute privileged attorney-client communication pursuant to Section 24-6-402(4)(b), C.R.S.

The Board reconvened in regular session at 12:30 p.m., and authorized the presentation by Jefferies LLC (discussed below) to be attached to the meeting minutes for the record.

Presentation by Jefferies LLC: Messrs. Baldwin and Wirecki updated the Board regarding negotiations with the majority bondholders and noted that they are willing to participate in the debt restructuring. Mr. Baldwin provided an overview of the debt restructuring and progress made to date. Following discussion, as noted above, the Board authorized the Jefferies LLC presentation to be attached to the meeting minutes for the record.

Tender Offer Resolution: Attorney Curylo reviewed with the Board a Tender Offer Resolution to relaunch the tender offer and exchange.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue, and upon vote, unanimously carried, the Board

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approved the Tender Offer Resolution, subject to receipt of consent by the subordinate bondholder.

Schedule of Events: Mr. Baldwin noted the Bonds closing is scheduled for July 15, 2021. Attorney Curylo discussed pre-closing and closing matters, including the process for signing final documents.

Costs of Issuance: Mr. Wirecki updated the Board on the estimated Costs of Issuance.

Engagement Letter with North Slope Capital Advisors for Revised Scope of Municipal Advisory Services: The Board reviewed an Engagement Letter with North Slope Capital Advisors (“North Slope”) for a revised scope of municipal advisory services.

Following review and discussion, upon motion duly made by Director Paris, seconded by Director DePue, and upon vote, unanimously carried, the Board ratified approval of the Engagement Letter with North Slope for a revised scope of municipal advisory services.

Report from North Slope Concerning the Debt Restructuring: Mr. Taylor noted that North Slope’s Certificate will be delivered at closing.

Other: There were no other Bonds-related topics to discuss.

OTHER BUSINESS

Attorney Meintzer noted for the Board that the trail connection that is the subject of the Easement Agreement with the Town (previously approved by the Board) will be concrete not crusher fines.

ADJOURNMENT

Following discussion, upon motion duly made by Director Paris, seconded by Director DePue and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: 
Secretary for the Meeting

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ATTORNEY STATEMENT REGARDING PRIVILEGED ATTORNEY-CLIENT COMMUNICATION

Pursuant to Section 24-6-402(2)(d.5)(II)(B), C.R.S., I attest that, in my capacity as the attorney representing The Villages at Castle Rock Metropolitan District No. 6, I attended the executive session meeting of The Villages at Castle Rock Metropolitan District No. 6 convened at 11:46 a.m. on July 8, 2021, for the sole purpose of receiving legal advice on specific legal questions regarding debt restructuring, as authorized by Sections 24-6-402(4)(b) and (e), C.R.S. I further attest it is my opinion that all of the executive session discussion constituted a privileged attorney-client communication as provided by Section 24-6-402(4)(b), C.R.S. and, based on that opinion, no further record, written or electronic, was kept or required to be kept pursuant to Section 24-6-402(2)(b), C.R.S. or Section 24-6-402(2)(d.5)(II)(B), C.R.S.

Signed: _____
MaryAnn M. McGeady, Attorney for the District

Dated: July 8, 2021 _____