

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

LANTERNS METROPOLITAN DISTRICT NO. 1

Held: Tuesday, October 29, 2019 at 11:00 a.m. at 10 Inverness Drive East, Suite 125, Englewood, CO

Attendance

The special meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance.

Reggie Carveth
Scott Carlson
Tim Westbrook
Terry Hodge

Director Mark Bailey was absent. All absences are deemed excused unless otherwise noted in these minutes.

Also present were Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Mathew Vigil, CliftonLarsonAllen, LLP, District Accountant; and Barrett Marrocco, Independent District Engineering Services, LLC, District Engineer.

Call to Order

Director Carveth noted that a quorum of the Board was present and called the meeting to order.

Declaration of Quorum/Director Qualifications/Reaffirmation of Disclosures

Ms. Murphy advised the Board that, pursuant to Colorado law, certain disclosures might be required prior to taking official action at the meeting. Ms. Murphy reported that disclosures for those directors with 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. Murphy 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 Board determined that the participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

Approval of Agenda Mr. Carveth reviewed the proposed agenda with the Board. Following discussion, upon a motion duly made and seconded, the Board approved the agenda as amended.

Public Comment None.

Consent Agenda Mr. Carveth presented the items on the consent agenda to the Board for consideration. Ms. Murphy advised the Board that any item may be removed from the consent agenda to the regular agenda upon the request of any director. No items were requested removed from the consent agenda. Upon motion duly made and seconded, the following items on the consent agenda were unanimously ratified, approved and adopted:

- July 23, 2019 Minutes
- Claims Payable in the amount of \$25,793.37
- 2018 Consolidated Annual Report
- Special District Disclosure Notice Pursuant to § 32-1-809, C.R.S

Legal Matters

Discuss Resolution Concerning Online Notice of Regular and Special Meetings Ms. Murphy reviewed the Resolution Concerning Online Notice of Regular and Special Meetings. Following discussion, upon a motion duly made and seconded, the Board unanimously determined to continue with physical posting of all regular and special meeting notices.

Consider Adoption of 2020 Annual Administrative Resolution Ms. Murphy reviewed the 2020 Annual Administrative Resolution. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution changing the regular meetings to the second Wednesday of January, April, July and October at 11:00am.

Review Insurance Property and Liability Schedule and Limits The Board engaged in general discussion regarding the District's property and liability schedule and limits. Following discussion, upon a motion duly made and seconded, the Board unanimously authorized legal counsel to bind coverage not to exceed \$3,000.

Consider Adoption of Resolution Calling May 5, 2020 Election Ms. Murphy reviewed the Resolution Calling May 5, 2020 Election. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution Calling May 5, 2020 Election.

Discuss Operation Funding Agreements with Premise Real Estate and Jefferson 500 Deferred.

Other Legal Matters None.

Financial Matters

Consider Unaudited Financial Statements Mr. Vigil reviewed the August 31, 2019 unaudited financial statements. Following discussion, upon a motion duly made and seconded, the Board unanimously accepted the August 31, 2019 unaudited financial statements subject to final accountants review.

Public Hearing on 2019 Budget Amendment Director Carveth opened the public hearing on the 2019 Budget Amendment. Ms. Murphy noted that the notice of public hearing was published in accordance with Colorado law in the *Douglas County News-Press* on October 17, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Approval of Resolution Amending the 2019 Budget Mr. Vigil reviewed the Resolution Amending the 2019 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution amending the General Fund to \$80,000, Debt Service Fund to \$330,000 and the Capital Projects Fund to \$21,040,000.

Public Hearing on 2020 Budget Director Carveth opened the public hearing on the proposed 2020 Budget. Ms. Murphy noted that the notice of public hearing was published in accordance with Colorado law in the *Douglas County News-Press* on October 17, 2019. No written objections have been received prior to the meeting. There being no public comment, the hearing was closed.

Consider Approval of Resolution Adopting the 2020 Budget Mr. Vigil reviewed the 2020 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the resolution adopting the 2020 Budget, appropriating funds therefore and certifying 11.077 mills for the general fund and 64.044 mills for the debt service fund.

Discuss and Ratify Payment to Crystal Crossing Metro District and Requisition No. 2 The Board engaged in general discussion regarding the payment to Crystal Crossing Metro District and Requisition No. 2. Following discussion, upon a motion duly made and seconded, the Board unanimously ratified the payment to Crystal Crossing Metro District and Requisition No. 2.

Consider Resolution
Accepting District Eligible
Costs and Requisition No. 3

Mr. Marrocco reviewed the Resolution Accepting District Eligible Costs and Requisition No. 3. Following discussion, upon a motion duly made and seconded, the Board unanimously the Resolution Accepting District Eligible Costs and Requisition No. 3.

Consider Approval of
Proposals for 2019 Audit

Deferred.

Other Financial Matters

Mr. Vigil asked the Board if they would like to process payables with bill.com. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the use of bill.com for processing payables.

Other Business

None.

Adjourn

There being no further business to come before the Board, and following discussion and upon motion duly made, seconded and unanimously carried, the Board 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 on the 30th day of January, 2020.