

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

LANTERNS METROPOLITAN DISTRICT NOS. 1 & 2

Held: Wednesday, October 27, 2021 at 11:00 a.m. via
teleconference.

Attendance

The joint regular 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.

District No. 1

Ben Both
Scott Carlson
Eric Lehman
Reggie Carveth

District No. 2

Scott Carlson
Ben Both
Reggie Carveth

Directors Tim Westbrook, Kent Carlson and Ryan Carlson were absent and excused.

Also present were Clint C. Waldron, Esq., and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Curtis Bourgouin, CliftonLarsonAllen, LLP, District Accountant; and Barrett Marrocco, Independent District Engineering Services.

Call to Order

A quorum of the Boards was present and the meeting was called to order.

Declaration of
Quorum/Director
Qualifications

Ms. Murphy 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 Boards. Ms. Murphy 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.

Approval of Agenda

The Boards reviewed the proposed agenda. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as amended.

Public Comment

None.

Consent Agenda

The Boards reviewed the items on the consent agenda. Ms. Murphy 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 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 21, 2021 Joint Special Meeting Minutes
- Special District Disclosure Notices Pursuant to §32-1-809, C.R.S.
- Joint Resolution Calling May 3, 2022 Elections
- Termination Agreement

Legal Matters

Review Insurance Property and Liability Schedule and Limits

Ms. Murphy reviewed the property and liability schedule and limits with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the property and liability schedule and limits as presented.

Discuss BMO Worker's Compensation

The Board engaged in general discussion regarding BMO Worker's Compensation. Following discussion, upon a motion duly made and seconded, the Board unanimously authorized legal counsel to bind worker's compensation coverage.

Consider Approval of Joint 2022 Annual Administrative Resolution

Ms. Murphy reviewed the 2022 Joint Annual Administrative Resolution with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the 2022 Joint Annual Administrative Resolution.

Consider Approval of First Amendment to Independent Contractor Agreement with Independent District

Ms. Murphy reviewed the First Amendment to Independent Contractor Agreement with Independent District Engineering Services, LLC with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of

Engineering Services, LLC
(District No. 1)

District No. 1 unanimously approved the First Amendment to Independent Contractor Agreement with Independent District Engineering Services, LLC.

Consider Approval of
Independent Contractor
Agreement with Independent
District Engineering
Services, LLC (District No.
2)

Ms. Murphy reviewed the Independent Contractor Agreement with Independent District Engineering Services, LLC with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously approved the Independent Contractor Agreement with Independent District Engineering Services, LLC.

Other Legal Matters

None.

Financial Matters

Consider Acceptance of
Unaudited Financial
Statements and Schedule of
Cash Position (District No.
1)

Mr. Bourgouin reviewed the July 31, 2021 Unaudited Financial Statements and Schedule of Cash Position with the Board of District No. 1. Following discussion, upon a motion duly made and seconded, the Board of District No. 1 unanimously accepted the July 31, 2021 Unaudited Financial Statements and Schedule of Cash Position.

Consider Acceptance of
Unaudited Financial
Statements and Schedule of
Cash Position (District No.
2)

Mr. Bourgouin reviewed the August 31, 2021 Unaudited Financial Statements with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously accepted the August 31, 2021 Unaudited Financial Statements.

Ratification of 2020 Audit

Mr. Bourgouin reviewed the 2020 Audits with the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously accepted the 2020 Audits.

Consider Resolution
Accepting District Eligible
Costs and Approving
Requisition No. 1 (District
No. 2)

Ms. Marrocco reviewed his engineering report with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously approved the Resolution Accepting District Eligible Costs and Approving Requisition No. 1 subject to final receipt of the District Accountant's Report.

Public Hearing on 2021
Budget Amendment
(District No. 1)

Director Both opened the public hearing on the 2021 Budget Amendment. Ms. Murphy 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.

Consider Adoption of Resolution Amending 2021 Budget (District No. 1)

Mr. Bourgouin reviewed the Resolution Amending 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 \$90,000.

Public Hearing on 2021 Budget Amendment (District No. 2)

Director Scott Carlson opened the public hearing on the 2021 Budget Amendment. Ms. Murphy 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.

Consider Adoption of Resolution Amending 2021 Budget (District No. 2)

Mr. Bourgouin reviewed the Resolution Amending the 2021 Budget with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously adopted the resolution amending the General Fund to \$70,000 and the Capital Project Fund to \$23,500,000.

Public Hearing on 2022 Budget (District No. 1)

Director Both opened the public hearing on the proposed 2022 Budget. Ms. Murphy 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.

Consider Adoption of 2022 Budget Resolution (District No. 1)

Mr. Bourgouin reviewed the 2022 Budget and Budget Resolution 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 Adopting 2022 Budget and appropriating funds therefore and certifying 11.077 mills for the general fund and 64.044 mills for the debt service fund.

Public Hearing on 2022 Budget (District No. 2)

Director Carlson opened the public hearing on the proposed 2022 Budget. Ms. Murphy 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.

Consider Adoption of 2022 Budget Resolution (District No. 2)

Mr. Bourgouin reviewed the 2022 Budget and Budget Resolution with the Board of District No. 2. Following discussion, upon a motion duly made and seconded, the Board of District No. 2 unanimously adopted the Resolution Adopting 2022 Budget and appropriating funds therefore and certifying 11.077 mills for the general fund and 64.044 mills for the debt service fund.

Other Financial 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.



Reggie Carveth (May 3, 2022 11:15 MDT)

Secretary for the Meeting, District No. 1

The foregoing minutes were approved on the 27th day of April, 2022.



Ben Both (May 3, 2022 11:07 MDT)

Secretary for the Meeting, District No. 2

The foregoing minutes were approved on the 27th day of April, 2022.