

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

LANTERNS METROPOLITAN DISTRICT NO. 3

Held: Tuesday, September 5, 2023 at 2:00 p.m. via Zoom teleconference.

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.

Scott Carlson
Kent Carlson
Ryan Carlson
Ben Both
Reggie Carveth

Also present were Clint C. Waldron, Esq. and Megan J. Murphy, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Carrie Bartow and Curtis Bourgoin, CliftonLarsonAllen, LLP, District Accountant; Stephanie Chichester and Nick Taylor, North Slope Capital Advisors; Tim Morzel, D.A. Davidson; and Kristine Lay, Esq, Kutak Rock, Bond Counsel.

Call to Order

A quorum of the Board 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 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 participation of the members present was necessary to obtain a quorum or to otherwise enable the Board to act.

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

Consider Adoption of Resolution Declaring Return to Active Status Ms. Murphy reviewed the Resolution Declaring Return to Active Status with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the Resolution Declaring Return to Active Status.

Consider Election of Officers The Board engaged in general discussion regarding the Election of Officers. Following discussion, upon a motion duly made and seconded, the Board unanimously elected Director Carveth as Treasurer.

Public Comment None.

Consent Agenda The Board reviewed the items on the consent agenda. 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 21, 2021 Joint Special Meeting Minutes; and
- Termination of Amended and Restated Master Intergovernmental Agreement with the Town of Castle Rock.

Legal Matters

Discuss 2023 Legislative Memorandum Ms. Murphy reviewed the 2023 Legislative Memorandum with the Board.

Consider Adoption of 2023 Annual Administrative Resolution Ms. Murphy reviewed the 2023 Annual Administrative Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the 2023 Annual Administrative Resolution.

Discuss Funding and Reimbursement Agreement (Operations and Maintenance) Ms. Murphy reviewed the Funding and Reimbursement Agreement (Operations and Maintenance) with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Funding and Reimbursement Agreement (Operations and Maintenance) subject to final review by legal counsel and Toll Southwest, LLC.

Discuss Infrastructure Acquisition and Project Fund Disbursement Agreement

Ms. Murphy reviewed the Infrastructure Acquisition and Project Fund Disbursement Agreement with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Infrastructure Acquisition and Project Fund Disbursement Agreement subject to final review by legal counsel and Toll Southwest, LLC.

Insurance and Liability

Discuss Insurance Requirements (public official's liability, general liability, workers' compensation, comprehensive crime) and Consider Adoption of Resolution Approving an IGA with the Colorado Special Districts Property and Liability Pool and Authorize Membership in the Special District Association

The Board reviewed the Resolution Approving an IGA with the Colorado Special Districts Property and Liability Pool. Following discussion, upon a motion duly made and seconded, the Board approved the Resolution Approving an IGA with the Colorado Special Districts Property and Liability Pool and authorized legal counsel to obtain membership with the Special District Association.

Consider Approval of Agency Services Agreement with T. Charles Wilson Insurance Services

Ms. Murphy reviewed the Agency Services Agreement with T. Charles Wilson Insurance Services with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Agency Services Agreement with T. Charles Wilson Insurance Services.

Discuss BMO Worker's Compensation Coverage and Consider Authorizing Filing of Exclusion of Uncompensated Public Officials form for 2023 Policy Period

The Board engaged in general discussion regarding worker's compensation coverage for the 2023 policy period. Following discussion, upon a motion duly made and seconded, the Board unanimously approved exclusion from worker's compensation for the 2023 policy period and directed legal counsel to complete the exclusion.

Consider Approval of General Liability Insurance Schedule Limits

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

Other Legal Matters

None.

Financial Matters

Public Hearing on 2023 Budget

Director Scott Carlson opened the public hearing on the proposed 2023 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 Resolution Adopting 2023 Budget

Ms. Bartow reviewed the 2023 Budget and Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2023 Budget, appropriating funds therefor as shown in the 2023 Budget.

Consider Approval of Master Services Agreement with CliftonLarsonAllen for Accounting Services and Consider Approval of Statement of Work

Ms. Bartow reviewed the Master Services Agreement with CliftonLarsonAllen for Accounting Services and Statement of Work with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Master Services Agreement with CliftonLarsonAllen for Accounting Services and Statement of Work.

Discussion Regarding Bank Account and Billing

The Board engaged in general discussion regarding establishing a District bank account. Following discussion, upon a motion duly made and seconded, the Board unanimously approved setup of a District bank account with FirstBank and authorized setup of bill.com for invoicing.

The Board engaged in general discussion regarding authorization of signers on the District bank account. Following discussion, upon a motion duly made and seconded, the Board authorized Director Both as signer.

Other Financial Matters

None.

Debt Matters

Discuss Debt Issuance and Schedule of Events

Mr. Morzel reviewed the financing plan and schedule of events with the Board.

Consider Ratification of Certificate Concerning District Financing

Ms. Murphy reviewed the Certificate Concerning District Financing with the Board. Following discussion, upon a motion duly made and seconded, the Board ratified the Certificate Concerning District Financing.

Consider Approval of Letter Agreement with D.A. Davidson

Mr. Morzel reviewed the Letter Agreement with D.A. Davidson with the Board. Following discussion, upon a motion duly made

and seconded, the Board unanimously approved the Letter Agreement with D.A. Davidson.

Consider Approval of Ms. Lay reviewed the Engagement Letter from Kutak Rock, LLP as Bond Counsel with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Engagement Letter from Kutak Rock, LLP as Bond Counsel.

Consider Approval of The Board reviewed the Engagement Letter from Butler Snow LLP as Disclosure Counsel with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Engagement Letter from Butler Snow LLP as Disclosure Counsel.

Consider Approval of Ms. Murphy reviewed the Special Bond Fee Disclosure from White Bear Ankele Tanaka & Waldron with the Board. Ms. Murphy stated that as she is not independent as to the Special Bond Fee Disclosure, the Board is advised to have separate legal counsel review the Special Bond Fee Disclosure. The Board declined to engage separate legal counsel to review the Special Bond Fee Disclosure. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Special Bond Fee Disclosure from White Bear Ankele Tanaka & Waldron.

Consider Approval of Mr. Taylor reviewed the Proposal from North Slope Capital for Municipal Advisor Services with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Proposal from North Slope Capital for Municipal Advisor Services.

Consider Approval of Mr. Morzel reviewed the Proposal from Zonda Advisory for Market Study with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Proposal from Zonda Advisory for Market Study.

Ratification of Engagement Letter from CliftonLarsonAllen for Forecast Ms. Bartow reviewed the Engagement Letter from CliftonLarsonAllen for Forecast with the Board. Following discussion, upon a motion duly made and seconded, the Board approved the Engagement Letter from CliftonLarsonAllen for Forecast.


Other Bond Matters None.

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.


Chris Oster (Oct 25, 2023 14:31 MDT)

Secretary for the Meeting

The foregoing minutes were approved on the 19th day of October, 2023.