

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS

OF

LANTERNS METROPOLITAN DISTRICT NO. 1

Held: Monday, October 7, 2024 at 11:00 a.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.

Ben Both  
Chris Osler  
Tim Westbrook  
Eric Lehman

Also present were: Megan J. Murphy, Esq. and Marissa M. Peck, Esq., White Bear Ankele Tanaka & Waldron, District General Counsel; Carrie Bartow and Curtis Bourgouin, CliftonLarsonAllen, LLP, District Accountant; Michael Wolfersperger, Independent District Engineering Services, District Engineer; Jordan Honea, Toll Brothers; and Gerry Bennett, member of the public.

Director Carveth was absent and excused.

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 presented.

**Public Comment**

Gerry Bennett asked about the projection for the general fund mill levy for 2025. Ms. Murphy responded it is projected the District will certify 12.460 mills in the general fund. Mr. Bennett inquired as to whether there is a surplus in that amount. Ms. Bartow responded that if they choose to adopt the budget, then yes, there will be a surplus for future projects and needs.

**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 22, 2024 Joint Town Hall Meeting Minutes;
- July 19, 2024 Special Meeting Minutes;
- 2023 Audit;
- 2023 Consolidated Annual Report;
- Special District Disclosure Notice Pursuant to §32-1-809, C.R.S.;
- Resolution Designating Meeting Notice Posting Location;
- Amended and Restated Public Records Request Policy; and
- Contractor Agreement with Heatherly Creative, LLC for Website Maintenance and Accessibility Services.

**Legal Matters**

**Consider Adoption of 2025 Annual Administrative Resolution**

Ms. Murphy reviewed the 2025 Annual Administrative Resolution with the Board. The Board asked that regular meetings occur quarterly and legal counsel coordinate a meeting date each quarter depending on the Director’s schedules. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution subject to changes as discussed.

**Discuss and Review Insurance General Liability Schedule and Limits, Consider Authorization to Bind Coverage**

The Board reviewed the current general liability schedule and limits and discussed excess liability coverage in the amount of \$3,000,000. Ms. Bartow noted she is in favor of obtaining the excess liability coverage and recommended the Board delegate one Board member to make a decision prior to the end of the year. Following discussion, the Board deferred this matter and

designated Director Both to approve the coverage with changes as discussed.

Review Schedule	Property	Ms. Bartow noted she thinks the property has been moved to another schedule. Ms. Murphy will follow up with Ms. Bartow and review with a delegated Board member.
Discuss Crime \$100,000	Increase in Coverage	The Board discussed increasing crime coverage to \$100,000. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the increase in coverage.
Consider to Bind Worker's Compensation Coverage	Authorization to Bind 2025 BMO Worker's Compensation	The Board reviewed the 2025 BMO Worker's Compensation Coverage. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the coverage and authorized legal counsel to bind coverage.
Consider 2025 Invoice from Wilson	Approval of 2025 Agency Fee Invoice from T-Charles Wilson	Deferred. The Board noted Director Both will make decisions on the insurance matters that were deferred.
Discuss Memorandum Implemented by 1001	2024 Legislative and Changes Implemented by HB 24B-1001	Ms. Murphy provided an overview of the May 6, 2025 election and explained to the Board the revenue limitation found in Senate Bill 24-233 and House Bill 24-B1001. The Board discussed the option to vote out of the revenue limitations at the May 6, 2025 election or later and determined to defer a decision to call a TABOR election until the next Board meeting. No action was taken.
Discuss and Adoption of Calling May 6, 2025 Election	and Consider Resolution	Deferred.
Consider Adoption of Allocation Agreement with District Nos. 2 & 3	Adoption of Cost Allocation Agreement with District Nos. 2 & 3	Mr. Wolfersberger reviewed the Cost Allocation Agreement with District Nos. 2 & 3 with the Board. Mr. Wolfersberger noted that the costs that are certified that have previously been allocated to District Nos. 1, 2 or 3 shouldn't be split because they benefit the whole development and don't need to be split. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the agreement.
Other Legal Matters		None.
<b>Financial Matters</b>		
Review Schedule of Position, Property Tax	Schedule of Cash Position, Property Tax	Ms. Bartow reviewed the Schedule of Cash Position, Property Tax Summary and Unaudited Financial Statements with the Board.

Statement and Unaudited Financial Statements      Following discussion, upon a motion duly made and seconded, the Board unanimously approved the financials.

Consider Approval of Claims Listing      Ms. Bartow reviewed the Claims Listing in the amount of \$ 7,043.52 with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the Claims Listing.

Public Hearing on 2024 Budget Amendment (if necessary)      Director Both opened the public hearing on the 2024 Budget Amendment. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado Law. No written objections were received prior to the meeting. There being no public comment, the hearing was closed.

Consider Approval of Resolution Amending the 2024 Budget (if necessary)      Ms. Bartow reviewed the Resolution Amending the 2024 Budget with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution amending the General Fund to \$110,000, Debt Service Fund to \$26,500,000 and the Capital Projects Fund to \$24,500,000.

Public Hearing on Proposed 2025 Budget      Director Both opened the public hearing on the proposed 2025 Budget. Ms. Murphy noted that the notice of public hearing was provided in accordance with Colorado law. No written objections were received prior to the meeting. Mr. Bennett requested details regarding the new bond issuance and if there is any additional revenue included. Ms. Murphy responded there will be a portion of new money proceeds for developer advances. Mr. Bennett asked about the amount of new money and Ms. Murphy explained. There being no additional public comment, the hearing was closed.

Consider Approval of Resolution Adopting the 2025 Budget, Imposing Mill Levy and Appropriating Funds      Ms. Bartow reviewed the 2025 Budget Resolution with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously adopted the resolution adopting the 2025 Budget, appropriating funds therefor and certifying mills for the General Fund and mills for the Debt Service Fund as shown in the 2025 Budget, subject to receipt of final assessed valuation.

Consider Approval of Special Districts Preparation Statement of Work with CliftonLarsonAllen, LLP      Ms. Bartow reviewed the Special Districts Preparation Statement of Work with CliftonLarsonAllen, LLP with the Board. Following discussion, upon a motion duly made and seconded, the Board unanimously approved the statement of work.

None.

Other Financial Matters

**Bond Matters**

Discuss and Review Ms. Murphy reviewed the financing plan from Piper Sandler with the  
Schedule of Events and Board, noting the new money portion is anticipated to be \$6,000,000.  
Bond Refinancing No action was taken.

Consider Approval of Deferred.  
Engagement Letter between  
the District and Ballard  
Spahr LLP as Bond Counsel

Consider Approval of the Deferred.  
Engagement Letter between  
the District and Piper  
Sandler & Co. as  
Underwriter

Consider Approval of the Deferred.  
Special Bond Fee Disclosure  
Letter between the District  
and White Bear Ankele  
Tanaka & Waldron

Consider Approval of Deferred.  
Engagement Letter with  
Causey Public Finance LLC  
for Escrow Verification  
Report

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 Osler (Nov 6, 2024 16:34 MST)

Secretary for the Meeting

The foregoing minutes were approved on the 31<sup>st</sup> day of October, 2024.