

MINUTES OF THE JOINT SPECIAL MEETING OF THE
BOARDS OF DIRECTORS OF

LEGATO METROPOLITAN DISTRICT NOS. 1-7 &
LEGATO COMMUNITY AUTHORITY

Held: Friday, December 10, 2021, at 5:00 p.m. via
teleconference.

Attendance

The joint special meeting of the Boards of Directors of Legato Metropolitan District Nos. 1-7 (collectively, the “Districts”) and Legato Community Authority (the “Authority”) was called and held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve on the Boards, were in attendance:

CJ Kirst
Roger G. Hollard
Emma Burns

Also present: Megan J. Murphy, Esq. White Bear Ankele Tanaka & Waldron, Districts and Authority General Counsel; Brandon Collins, Barrett Marrocco and Jess Ortiz, Independent District Engineering Services, LLC; Jason Carroll and Lindsay Ross, CliftonLarsonAllen LLP, District and Authority Accountants; and Brad Burns.

Call to Order

Ms. Murphy noted that a quorum of the Boards were present and called the meeting to order.

**Conflict of Interest
Disclosures**

Ms. Murphy advised the Boards 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 Boards at least 72 hours prior to the meeting, in accordance with Colorado law, and those disclosures were acknowledged by the Boards. Ms. Murphy noted that a quorum was present and 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. The Boards determined that the

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

Combined Meetings

The Boards of Directors of the Districts and Authority have determined to hold joint meetings of the Districts and Authority to prepare joint minutes of action taken by the Districts and Authority in such meetings. Unless otherwise noted herein, all official action reflected in these minutes is the action of each of the Districts and Authority. Where necessary, action taken by an individual District or Authority will be so reflected in these minutes.

Agenda

Ms. Murphy presented the agenda to the Boards for consideration. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agenda as presented.

Public Comment

None.

Consent Agenda

Ms. Murphy provided the items on the consent agenda to the Boards. Ms. Murphy advised that any item can be removed from the consent agenda to the regular agenda upon a request from any Director. Engagement to Prepare the 2021 Audit (Authority) was requested to be removed from the consent agenda. Upon a motion duly made, seconded and unanimously carried, the Boards approved, ratified and/or adopted the following items:

- Minutes from November 4, 2021 Regular Meeting;
- Resolution Establishing Guidelines for the Processing and Collection of Delinquent Fees and Charges(Authority); and
- Project Fund Requisition No. 3 Related to the Authority’s Limited Tax Supported (District Nos. 1, 2, 3 and 7 Revenue Bonds), Series 2021A-1 Bonds (Authority).

Legal Matters

None.

Financial Matters

Consider Acceptance of Schedule of Cash Position (Authority)

Ms. Ross presented the Board of the Authority with the Schedule of Cash Position dated September 30, 2021 and updated December 2, 2021 to the Board of the Authority. Following discussion, upon a motion duly made and seconded, the Board of Authority unanimously accepted the Schedule of Cash Position, subject to change to reflect the acceptance of costs at the meeting on November 4, 2021.

Ratify Claims Paid through December 1, 2021 (Authority) Ms. Ross presented the Board with the Claims Paid as of December 1, 2021 to the Board of the Authority. Following discussion, upon a motion duly made and seconded, the Board of the Authority unanimously approved the Claim Paid in the amount of \$76,225.47.

Review and Consider Approval of the CliftonLarsonAllen LLP Master Services Agreements Ms. Ross presented the CliftonLarsonAllen LLP Master Services Agreements to the Boards. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved the agreements subject to final legal review.

Other Business

Consider Approval of Award and Contract for Geotechnical Services (Authority) Independent District Engineering Services, LLC (“IDES”) presented the Award and Contract for geotechnical services to the Board of the Authority. Following discussion, upon a motion duly made and seconded, the Board of the Authority unanimously approved awarding the contract for geotechnical services to Ground Engineering Consultants, Inc.

Consider Approval of Award and Contract for Spine Infrastructure (Authority) IDES presented the Award and Contract for spine infrastructure proposals to the Board of the Authority.

Mr. Burns noted that Filing No. 1 plans are approved; Filing No. 2 plans are still under review by the City, and will hopefully be approved next week.

The Boards engaged in a discussion regarding placement of dirt that will be moved during construction. Directors Kirst and Hollard clarified that the Authority is not willing to move dirt twice and should not pay this cost. Mr. Burns responded that the builders intend to move the dirt at their expense.

Director Kirst asked if there was a stormwater management consultant. Mr. Collins responded that IDES is doing this part as part of their scope of work.

Director Kirst asked what Mr. Burn’s scheduled commitment is to the builders. Mr. Burns responded that there is no commitment to them, except that the Authority will move dirt before closing escrow on February 11, 2022. Mr. Burns noted that he will be very cognizant of what type of self-help is granted to the builders when negotiating those contracts. Director Hollard noted the Districts and Authority are not parties to these contracts. Mr. Burns noted

that the Authority would be party to a Lot Development Agreement which may include self-help provisions. Director Hollard would expect the Authority to be fully engaged through legal staff, and to inform the Board of information going forward.

IDES read their responses to questions from the Board into the record.

Director Kirst requested a contract with a completion date and liquidated damages number.

Director Hollard asked if the Authority should pre-purchase PVC pipes or supplies. Mr. Collins noted that Iron Woman Construction and Environmental Services, LLC (“Iron Woman”) are planning on buying supplies in April, 2022, but he will inquire if they are willing to purchase supplies sooner.

Director Hollard asked about City and State sales tax exemption. Ms. Murphy responded that the Service Plan does not allow the Districts or the Authority to exercise sales or use tax exemption at the City level. Director Hollard asked IDES to provide an overall balance sheet.

Director Hollard asked Ms. Murphy to investigate whether the Development Agreement can be assigned to the Authority or not. Mr. Burns noted that the Development Agreement includes items that only the Developer is responsible for so fully assignment would not be possible.

Director Hollard inquired about cash in lieu of payments for street lights. Mr. Burns responded that the Authority cannot pay for this because the City could not guarantee that the streetlights would be completed within three years.

The Boards engaged in a discussion regarding engagement of a separate survey company.

Director Kirst would like to talk about the project engineer’s role and why the bid quantities are so far off the approved plans.

Following discussion, upon a motion duly made and seconded, the Boards unanimously approved awarding a contract to Iron Woman subject to: legal review; IDES review; and a review by Director Hollard, confirmation from the City that the Authority has the power to construct the improvements; and that the contract to

include a completion date and liquidated damages of \$1,500 per day.

Consider Approval of Grading Surety

IDES presented a request for to provide a \$246,000 grading surety to the City to the Board of the Authority.

Mr. Burns and Director Hollard requested the contractor provide this surety instead. The Board directed Iron Woman to post the surety and be reimbursed by the Authority.

Other Business

Mr. Burns noted he would like to adjust the financing plan in the Service Plan to change the public improvements to be financed by District Nos. 4, 5, 6 and the Authority. Following discussion, upon a motion duly made and seconded, the Boards unanimously approved proceeding with the Service Plan amendment.

Next Meeting

January 11, 2021 at 4:00 p.m.

Adjournment

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.



Roger Hollard (Feb 23, 2022 09:56 MST)

Secretary for the Meeting






00579601

Final Audit Report

2022-02-23

Created:	2022-02-22
By:	Michele Barrasso (mbarrasso@svwpc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAwAYUjwzJXSII8TFLn7x65H0KGU7Y4kzi

"00579601" History

-  Document created by Michele Barrasso (mbarrasso@svwpc.com)
2022-02-22 - 9:29:17 PM GMT- IP address: 50.242.130.193
-  Document emailed to Roger Hollard (rghollard@gmail.com) for signature
2022-02-22 - 9:29:41 PM GMT
-  Email viewed by Roger Hollard (rghollard@gmail.com)
2022-02-23 - 3:42:08 PM GMT- IP address: 66.249.80.199
-  Document e-signed by Roger Hollard (rghollard@gmail.com)
Signature Date: 2022-02-23 - 4:56:19 PM GMT - Time Source: server- IP address: 73.153.143.169
-  Agreement completed.
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