

RECORD OF PROCEEDINGS

MINUTES OF THE JOINT REGULAR MEETING OF THE BOARD OF DIRECTORS

OF THE

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

Held: Tuesday, March 8, 2022, at 4:00 p.m. via Zoom video/telephonic platform.

Attendance

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

CJ Kirst
Roger G. Hollard
Emma Burns*

Also present were Barbara T. Vander Wall, Colin B. Mielke*, Seter & Vander Wall, P.C.; Lindsay Ross, CliftonLarsonAllen, LLP; Brandon Collins and Jess Ortiz, Independent District Engineering Services, LLC; and Brad Burns.

[*Departed where indicated.]

Call to Order

It was noted that a quorum of the Authority and the Districts were present and that the Directors had confirmed their qualification to serve, and therefore the joint regular meeting was called to order.

Disclosure Matters

Ms. Vander Wall advised the Board that pursuant to Colorado law, certain disclosures by the Board members may be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, after which each Board member affirmed their conflicts of interest which had been disclosed and filed with the secretary of state, and stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting. Legal counsel advised that written disclosures of the conflicts of

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interest previously submitted by the applicable Directors had been filed with the Secretary of State prior to the meeting.

Director Kirst reported that he is obligated to pay taxes under a contract to purchase property located within the boundaries of the Authority and the Districts and he is employed by Cohen Denver Airport, LLC where he provides real estate consulting services at an hourly rate.

Director Hollard reported that he is obligated to pay taxes under a contract to purchase property located within the boundaries of the Authority and the Districts and he is employed by Cohen Denver Airport, LLC where he provides real estate consulting services at an hourly rate.

Director Burns reported that she is obligated to pay taxes under a contract to purchase property located within the boundaries of the Authority and the Districts and she has a familial relationship with the development manager for the property.

Combined Meetings

The Boards of Directors of the Districts and Authority have determined to hold joint meetings of the Districts and Authority, and 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.

Approval of Agenda

The Boards reviewed the agenda. Following motion, second and unanimous vote, the Boards approved the agenda.

Public Comment

There were no items presented for public comment at this time.

Consent Agenda:

The Boards reviewed the items on the consent agenda. Upon a motion made by Director Kirst, second by Director Burns, and unanimous vote, the Boards approved, ratified and/or adopted the following consent agenda items as presented:

- Approval of Minutes for February 8, 2022 Joint Regular Meeting
- Applications for Exemption from Audit (District Nos. 1-7)

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- Project Fund Requisition No. 4 Related to Authority's Limited Tax Supported Revenue (District Nos. 1, 2, 3 & 7) Bonds, Series 2021A-1 (Authority)

Financial Matters

Ms. Lindsay Ross presented the Authority's report of claims paid from December 2, 2021 through February 28, 2022. She also reviewed the Authority's schedule of cash position dated December 31, 2021 and updated as of March 4, 2022. Upon motion, second and unanimous vote, the Board accepted the financial report as presented.

The Board discussed the option to receive monthly versus quarterly financial statements, and agreed to continue receiving quarterly statements with monthly updates to the schedule of cash position.

Director Matters:

- Appointment of Directors to District Boards (District Nos. 1-7)
- Appointment of Directors to Authority Board (District Nos. 1 and 2)

The District Boards discussed the two existing vacancies on the Boards of District Nos. 1-7, and considered the appointments of Messrs. Casey Fanganello and John O'Neil. Upon motion, second and unanimous vote by each of the District Boards, Messrs. Fanganello and O'Neil were appointed, subject to confirmation of their qualification as eligible electors of the Districts.

After discussion, and upon motion, second and unanimous vote, the District No. 1 Board designated Mr. O'Neil, and the District No. 2 Board designated Mr. Fanganello, to serve as the designated representatives for District No. 1 and No. 2, respectively, to the Authority Board.

The Boards discussed the potential for a director seat on District No. 3 following the conveyance of Filing 1 to a homebuilder. The Boards determined to review the matter further at a future meeting.

Legal Matters:

- Service Plan Amendment (District Nos. 1-7)
- Insurance Coverage

The Boards discussed the public improvements required for the development and potential impact on the Districts' service plan. It was agreed that no action was needed until further information regarding the design and cost of such improvements is known.

Legal counsel discussed with the Board liability protections

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provided by the Colorado Governmental Immunity Act for Board member actions, and existing and potential additional insurance coverage for liability exposure of various types. After further discussion, the Board agreed not to make any changes to coverage at this time, but acknowledged that additional coverage is offered by the Special District Association Liability Pool if desired.

- Management Services Contract (Authority) Ms. Vander Wall reported on a proposal for management services received from CCMC. The Board discussed the timing needs for engagement of a management company. Based on the current development schedule, the Boards determined to defer the discussion to a later date.
- Update re May 2022 Director Election (District Nos. 1-7) Ms. Vander Wall reported that there were not more self-nomination forms received than positions available on the Boards by the February deadline, and therefore the Director Elections have been cancelled.
- Board Meeting Schedule Legal counsel reported a potential scheduling conflict for future meetings of the Boards. The Boards agreed to revisit the topic to accommodate the new Board members in the discussion.

Construction Matters:

- IDES Construction Management Report Mr. Brandon Collins presented the IDES engineering report for the infrastructure project to the Board.

The Board discussed the payment for the ERUs for District landscaping, which is anticipated to be funded by the Authority. Mr. Collins and Ms. Ross noted that the funding for the ERUs is in the Authority's budget. Upon motion, second and unanimous vote, the Board approved the payment of an amount not to exceed \$750,000 for the water rights (ERUs), required for the landscaping. Mr. Collins noted that he is waiting for an invoice from SACWSD, so that payment can be processed.

[*Mr. Mielke departed during this discussion.]

- Iron Woman Contract / Change Order No. 1 (Authority) Mr. Collins and Mr. Ortiz provided an update on the spine infrastructure construction contract with Iron Woman. The Board discussed the proposed Change Order No. 1 to the Iron Woman contract. Mr. Collins explained that the change order increases the pricing in the amount of \$1,006,829.17 to address quantity discrepancies, including missing pipe and rip rap materials, and recommended its approval. The Board discussed the background for the discrepancies and agreed that the change

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order is appropriate. Upon motion, second and unanimous vote, the Board approved Change Order No. 1 as presented.

- DEV Report for February 2022 (Authority)

The Board reviewed the District Expenditures Verification report for February 2022; it was noted that this report was discussed at the prior meeting, now updated to incorporate comments made by the Board. Upon further discussion, and upon motion second and unanimous vote, the Board accepted the February 2022 DEV report as presented.


[*Director Burns departed during this discussion.]

- Landscaping Bids (Authority)

Mr. Collins reported on the bids received for the landscaping portion of the project, which came in higher than anticipated. The Board discussed its options, including revising the scope, value engineering, rebidding of the project. Mr. Collins noted that the bids expire at the end of April, and that the contractors' indicate rationing of certain supplies associated with the irrigation system. Director Hollard agreed to review the bids and potential options for savings, to be presented at a future meeting.

Adjournment

There being no further business to come before the Board, and upon motion duly made, seconded and unanimously carried, the meeting was adjourned at 6:05 p.m.



[Roger Hollard \(Apr 13, 2022 09:16 MDT\)](#)

Secretary for the Meeting

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Final Audit Report

2022-04-13

Created:	2022-04-13
By:	Michele Barrasso (mbarrasso@svwpc.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAzXsLQWAct2AtdW8rjqxwYQlpJLdkNnLD

"00591013" History

-  Document created by Michele Barrasso (mbarrasso@svwpc.com)
2022-04-13 - 3:07:04 PM GMT- IP address: 50.242.130.193
-  Document emailed to Roger Hollard (rghollard@gmail.com) for signature
2022-04-13 - 3:07:21 PM GMT
-  Email viewed by Roger Hollard (rghollard@gmail.com)
2022-04-13 - 3:16:17 PM GMT- IP address: 74.125.212.83
-  Document e-signed by Roger Hollard (rghollard@gmail.com)
Signature Date: 2022-04-13 - 3:16:49 PM GMT - Time Source: server- IP address: 73.153.143.169
-  Agreement completed.
2022-04-13 - 3:16:49 PM GMT