

RECORD OF PROCEEDINGS

EXECUTION COPY
DISTRICT NO. 1
DISTRICT NO. 3
DISTRICT NO. 4

MINUTES OF THE JOINT REGULAR MEETING OF
THE BOARD OF DIRECTORS OF
THE LAKES METROPOLITAN DISTRICT NOS. 1, 3-4

HELD JULY 18, 2023

The joint regular meeting of the Boards of Directors of The Lakes Metropolitan District Nos. 1, 3-4 (referred to hereafter as "Boards") were convened on Tuesday, July 18, 2023 at 9:30 a.m., via teleconference. The meeting was open to the public.

ATTENDANCE

Directors in Attendance were:

Michael A. Richardson
Paula J. Lindamood
Erika L. Volling

Excused Absentees: Florine T. Richardson and Amy Richardson

Also in Attendance were:

William Ankele, Esq., Heather Hartung, Esq., White Bear Ankele Tanaka & Waldron, P.C.
Eric Weaver and Susan Cary, Marchetti & Weaver, LLC

JOINT MEETING

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

CALL TO ORDER

Director Richardson noted that a quorum of the Boards were present and called the Joint Regular Meeting of the Boards of Directors to order. Director Richardson designated Director Volling as the chairperson of the meeting.

DISCLOSURE OF
POTENTIAL
CONFLICTS OF
INTEREST &
ESTABLISH
QUORUM

Director Volling noted that disclosures of potential conflict of interest statements for each of the Directors were filed with the Secretary of State by the District General Counsel, White Bear Ankele Tanaka & Waldron, P.C., seventy-two hours in advance of the meeting. Attorney Ankele requested that the Directors consider whether they had any additional conflicts of interest to disclose. Attorney Ankele noted for the record that there were no new disclosures made by the Directors present at the meeting and incorporated for the record those applicable disclosures made by the Board members prior to this meeting and in accordance with the statutes. Additionally, the Boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Boards to act.

ADMINISTRATIVE
MATTERS

Agenda: Director Volling distributed for the Boards' review and approval an Agenda for the Districts' joint regular meeting. Following discussion, upon motion duly made, seconded and, upon vote unanimously carried, the Agenda was approved.

Public Comment: None.

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Consent Agenda: The Boards discussed the Consent Agenda. Following review and discussion, upon a motion made, seconded and upon vote unanimously carried, the Boards approved, adopted, and ratified the Consent Agenda including the following items:

- a. Minutes from the June 20, 2023 Joint Regular Meeting
- b. Notice of Award – Brannan Sand and Gravel
- c. Agreement Between District No. 4 and Brannan Sand and Gravel Company, LLC for Construction Contract (Stipulated Price) with First Addendum – Farmlore North Filing 1, Phase 1 and 144th Avenue and Offsite Chambers Trail. The Board approved the Addendum with the removal of the bullet point that said “The price for liquid asphalt at the time of the Work is to be performed is within five(5) percent of the price for liquid asphalt at the time a contract for Work is signed “the “Base Price”.
- d. Ratify Approval of Resolution Regarding Acceptance of District Eligible Costs in the amount of \$1,439,407.66 (Cost Certification No. 1 – District No. 4)
- e. Ratify Approval of Requisition No. 12 regarding Cost Certification No. 1 – District No. 4 in the amount of \$1,439,407.66.
- f. Approval of Resolution Authorizing Reimbursement of Right-of-Way Permit and Plan Review Fees in the Amount of \$31,954.73 by District No. 4 to Farmlore Ltd.
- g. Ratify Approval of Requisition No. 13 regarding reimbursement of Right-of-Way Permit and Plan Review Fees in the amount of \$31,954.73.

CONSTRUCTION MATTERS

144th Avenue and Chambers Trail Paving Public Improvement Pricing and Status: At the June 20, 2023 BOD meeting, it was determined that District No. 4 would provide monthly updates to District No. 3 at the monthly BOD meetings to satisfy the status report requirements in the Assignment of and Second Amendment to Capital Improvements Pledge Agreement dated November 9, 2022. The monthly update from District No. 4 included that work continues on 144th. The storm sewer line is being installed. We are waiting on United Power to remove the overhead power lines that are in the way of water line installation.

FINANCIAL MATTERS

Pay Application No. 7 – District No. 4: The Board discussed the Pay Application No. 7 for construction at Farmlore North. Following discussion, upon motion duly made, seconded and, upon vote unanimously carried, the Pay Application No. 7 was approved.

Pay Application No. 2 – District No. 4: The Board discussed the Pay Application No. 2 for construction of 144th Improvements. Following discussion, upon motion duly made, seconded and, upon vote unanimously carried, the Pay Application No. 2 was approved.

Payables/Financials of District No. 4: The monthly invoices for payment in addition to the Pay Application were for Ranger Engineering, Marchetti & Weaver, and White Bear Ankele Tanaka & Waldron. The Board discussed the invoices totaling \$12,893.82. Following discussion, upon motion duly made, seconded and, upon vote unanimously carried, the invoices were approved.

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Requisition No. 14 – District No. 4: The Requisition No. 14 was reviewed and discussed by the Board. Following discussion, upon motion duly made, seconded and, upon vote unanimously carried, the Requisition No. 14 was approved.

Analysis of Reimbursement Rate Infrastructure Acquisition and Reimbursement Agreement Memorandum from Municap, Inc.:

Municap, Inc. provided a memorandum to District No. 4 concluding the reasonable interest rate to be paid pursuant to the Acquisition and Reimbursement Agreement is 8.75%.

OTHER BUSINESS

Next Regular Meeting: The next regular meeting is scheduled for August 15, 2023 at 9:30 a.m. via teleconference.

ADJOURNMENT

There being no further business to come before the Boards at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By: Erika Bollin
Secretary for Meeting