

**MINUTES
OF THE MEETING OF THE
AMERICAN LEGACY ACADEMY BOARD OF DIRECTORS
DECEMBER 6, 2022**

The Board of Directors of American Legacy Academy held a meeting on December 6, 2022, at 4:00 p.m. at 1039 Main St. Suite K Windsor, CO 80550 and via Zoom meeting.

1. (a) CALL MEETING TO ORDER AND (b) APPROVAL OF AGENDA

The meeting was called to order by Board Chair Babcock at 4:00 p.m. Present were Board members Julie Babcock, Corey McOuat, Kate Guden, and Cheryl Brown. Spencer Harrison joined the Board after elected at 4:12.

Also present were Academica representatives Craig Horton, Joani Zibert, Paul Ballou, Trevor Goodsell, and Sunny Ranieri; as well Building Advisory Committee member David Sislowski and Marketing Committee member Ashley Harrison.

The agenda was approved by consent.

2. PUBLIC COMMENT

There was no public comment.

3. MEMBER REPORTS

There were no member reports.

4. ACTION AND DISCUSSION ITEMS

A. POSSIBLE ACTION TO APPROVE THE MINUTES FROM THE NOVEMBER 9, 2022; NOVEMBER 15, 2022; AND NOVEMBER 28, 2022 SPECIAL BOARD MEETINGS

Member Brown moved to approve the minutes from the November 9, 2022; November 15, 2022; and November 28, 2022 special board meetings. Member Guden seconded the motion, and the Board voted unanimously to approve.

B. DISCUSSION AND POSSIBLE ACTION TO ACKNOWLEDGE COREY MCOUAT'S RESIGNATION FROM THE AMERICAN LEGACY ACADEMY BOARD OF DIRECTORS

Member McOuat stated that he had submitted his letter of resignation.

Member Guden moved to acknowledge Corey McOuat's resignation from the American Legacy Board of Directors. Member Brown seconded the motion.

Members Guden, Brown, and Babcock expressed gratitude for Member McOuat's membership on the Board and regret at his departure.

The Board voted unanimously to approve.

C. DISCUSSION AND POSSIBLE ACTION TO ELECT TWO BOARD MEMBERS TO THE AMERICAN LEGACY ACADEMY'S BOARD OF DIRECTORS

Member Babcock opened a discussion regarding the election of two new Board members, with Members Guden, Brown, and Babcock unanimously selecting Luke Alles and Spencer Harrison based on the interviews at the November meeting and their previous experience with the Board, particularly Mr. Alles for his work on the BAC. Member Brown expressed an urgent interest in adding Susan Harting to a committee and continuing the ascension process with her.

Member Babcock nominated Luke Alles as a member of the American Legacy Academy Board of Directors.

Member Babcock nominated Spencer Harrison as a member of the American Legacy Academy Board of Directors.

With no further nominations and all in favor, Luke Alles and Spencer Harrison were elected unanimously to the American Legacy Academy Board of Directors.

D. DISCUSSION AND POSSIBLE ACTION TO ELECT A BOARD TREASURER FOR THE AMERICAN LEGACY ACADEMY BOARD OF DIRECTORS

This item was tabled until the next regular meeting when all Board members could be present.

E. CCSP GRANT UPDATE

Ms. Joani Zibert addressed the Board and reviewed the comments given as to why ALA was not awarded the CCSP grant at this time, while assuring the Board they would address those comments in the next application round. Member Babcock stated that they would reapply and address the noted concerns. Member Guden stated that they would find other ways to finance year one, noting that there was a lot of accountability documentation required which they might be relieved to avoid. Mr. Craig Horton addressed the Board and confirmed that they will reapply and that the principal might have some additional grant options in mind. Mr. David Sislowksi addressed the Board and reiterated that it might be better for ALA to avoid the documentation and requirements associated with the CCSP grant.

F. DISCUSSION REGARDING START-UP EXPENSES TO DATE

This item was tabled until the next meeting, with Member Babcock noting that an accounting was provided in the support materials. Mr. Horton stated that they were in a good place in regards to the expenses.

G. DISCUSSION AND POSSIBLE ACTION REGARDING THE FURNITURE, FIXTURES, AND EQUIPMENT (FFE) LEASE

Ms. Zibert stated that a FFE lease was an option for financing the furniture, fixtures, and equipment for the school, although there were not numbers to present at this time.

H. MARKETING UPDATE

Member Guden stated that the Marketing Committee met to discuss fundraising, in particular at event in January or February. She also noted that they might need to create a foundation for collecting donations, to which Member Babcock stated that they did not need a foundation at this time, just their 501(c)(3) status, for which Academica should have filed. In the meantime a determination letter could be issued, which will be effective back to the date the 501(c)(3) was filed. Member Babcock had discussed the matter with outside counsel and they could collect the funds through ALA or through the Liberty Commons foundation for a small fee, which will give the donor assurance that their donation was tax deductible. Some discussion ensued on expediting the 501(c)(3) process.

Ms. Ashley Harrison addressed the Board and presented a marketing timeline, noting that the parent update email had been circulated. They would also like to join the Chamber of Commerce prior to the groundbreaking, which Ms. Sunny Ranieri stated she would look into. Ms. Harrison stated that they would be ready to circulate information regarding the locations and the principal as soon as that information was available to the public. They were also preliminarily looking at the groundbreaking ceremony and a casino night, including a silent auction. Ms. Harrison stated that they might want to consider forming a fundraising committee. Member Babcock encouraged the marketing committee to approach Mr. Lind, who had offered to assist with marketing.

I. UPDATE FROM BUILDING ADVISORY COMMITTEE

Mr. David Sislowksi addressed the Board and reviewed the Water Valley location status, including the various meetings which had taken place to address the budget for the retrofit, noting that there was a lot of excitement from all parties. The next step was to craft a non-binding term sheet which would be reviewed by outside counsel. Additional discussion ensued regarding the timing and how to coordinate a press release regarding the location, taking the upcoming holidays into consideration. Mr. Sislowksi stated that there were several components to take into consideration that could affect the timing, noting that the Board might need to hold a special board meeting to approve the term sheet.

Mr. Sislowksi stated that he had sent out RFPs to several developers regarding the Tailholt site. He received three responses from developers that would need additional numbers and details before submitting proposals. The BAC would plan to meet with them soon dependent on available information. He hoped to recommend a developer at some point in the near future. Discussion ensued regarding the process of building a school and financing the project, including possibly constructing the school in phases.

Member Brown asked if Academica was involved in the process, to which Mr. Sislowksi stated that Mr. Goodsell was assisting with the budget and enrollment projections; however, Excel Charter Development had declined to respond. Mr. Sislowksi explained the relationship with a future developer, including the fact that any developer would have some influence over the building's design. Member Babcock stated that this was a difficult time to be building anything and there would be obstacles to overcome.

F. EXECUTIVE SESSION: THE AMERICAN LEGACY ACADEMY BOARD MAY ENTER INTO EXECUTIVE SESSION PURSUANT TO C.R.S. 24-6-402 (A) THE PURCHASE, ACQUISITION, LEASE, TRANSFER, OR SALE

OF ANY REAL, PERSONAL, OR OTHER PROPERTY INTEREST; C.R.S. 24-6-402(4)(E): NEGOTIATION STRATEGY AND INSTRUCTING NEGOTIATORS, I.E., CONTRACT NEGOTIATIONS.

No executive session was entered, with discussion taking place under item 4e.

Member Babcock moved to authorize Barry Arrington to enter into negotiations with Water Valley Company or their affiliates to complete the letter of intent. Member Guden seconded the motion.

Member Guden asked if there was a budget with which Mr. Arrington would use to negotiate. Member Babcock stated that there was not a budget currently available.

Member Babcock amended her motion to add that the letter of intent would be subject to the Board's approval of the budget. Member Guden seconded the amendment to the motion.

Member Brown was leery of entering into an agreement without numbers, acknowledging that they would be based on per pupil funding. Member Guden agreed. Mr. Sislowksi stated that, even though Mr. Arrington would enter into negotiations, the letter of intent would still come before the Board for approval. Mr. Sislowksi stated that there was a preliminary 6-year budget based on assumptions that could be circulated to the Board. Member Babcock stated that her amendment to the motion covered a final approval of the term sheet by the Board.

Member Babcock restated the complete motion:

Member Babcock moved to authorize Barry Arrington to enter into negotiations with the developer in Water Valley to come up with a term sheet, that will not be approved by the Board until the next board meeting and the Board has had an opportunity to review the budget and assumptions. Member Guden seconded the motion, and the Board voted unanimously to approve.

Member Babcock stated that the last item was to approve a contract between Anser Advisory (Kurt Connelly-Owner's Rep), who would be on the ALA side of the table and representing them throughout the construction process. The developer had agreed to pay the fee for Anser.

Member Babcock moved to negotiate the consulting agreement with Answer Advisory Corporation and authorize the Board Chair to execute the agreement. Member Guden seconded the motion.

Member Guden asked about the price, to which Member Babcock stated that the price had not been set, although the standard was one percent. Member Babcock noted that the price would mostly likely not be a full one percent because the BAC had already completed much of the groundwork. Some discussion ensued regarding the role of an Owner's Rep, with was vital to the process. Member Brown asked if they would be duplicating services Academica provided, to which Member Babcock stated they were not.

The Board voted unanimously to approve.

5. PUBLIC COMMENT

There was no public comment.

6. ADJOURN MEETING

Member Brown moved to adjourn the meeting. Member Guden seconded the motion, and the Board voted unanimously to approve.

THE MEETING WAS ADJOURNED AT 5:27 P.M.

APPROVED ON: JANUARY 3, 2023


Kate Guden (Jan 10, 2023 20:24 MST)

**SECRETARY OF THE BOARD OF DIRECTORS
AMERICAN LEGACY ACADEMY**