

MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
CONSOLIDATED BMR METROPOLITAN DISTRICT
HELD February 8, 2011

A special meeting of the Board of Directors of the Consolidated BMR Metropolitan District was held on Tuesday, February 8, 2011 at 6:30 p.m. at MedVed Auto Plex (Ford Bldg) located at 1404 S. Wilcox Street, Castle Rock, Colorado 80104. The meeting was open to the public.

Attendance

In attendance were Directors:

Jeanne Dassel
Alan Cobb
Bob Brabec
Russell Grant
Kirk Fischer

Residents and others in attendance:

Al Quist; 908 Glade Gulch Road, Castle Rock, CO
Bob Randenis
Ron Bulmer
Jean Brabec

Also in attendance:

Tim Flynn, Esq.; Collins Cockrel and Cole
Howard McCarthy & Philip Sack; Tetra Tech
Jeff Sucher; Treatment Technology, Inc.
Chuck Reid; R.S. Wells, LLC/Clifton Gunderson, LLP

Call to Order

Director Dassel called the meeting to order at 6:57 p.m. and verified a quorum present.

Conflicts of Interest

Mr. Flynn reported that all of the Directors had previously filed Disclosure of Potential Conflict of Interest Statements with the Board and with the Secretary of State in accordance with statutory requirements. Such conflicts arise because each Director is also a Director on the Consolidated Bell Mountain Ranch Metropolitan District. The Consolidated Bell Mountain Ranch Metropolitan District has entered into and may from time to time enter into additional agreements with the BMR Metropolitan District. Director Brabec disclosed that in addition to the foregoing he sits on the Board of Directors of the Bell Mountain Ranch Homeowners Association.

All Disclosures of Potential Conflict of Interest Statements, whether filed for this meeting or previously filed are deemed continuing in nature and are incorporated into the record of this meeting. All Directors stated that the participation of at least three of them in the meeting was necessary to obtain a quorum of the Board or otherwise enable the Board to act.

RECORD OF PROCEEDINGS

After each Director had summarily stated for the record the fact and nature of his or her respective private interest and stated that the determination to participate in voting or take any other action on any contract or other matter in which he or she may have a private interest would be made in compliance with Section 24-18-201(1)(b)(V), C.R.S., on an *ad hoc* basis, the Board turned its attention to the remaining agenda items.

Approval of Agenda

Following discussion and, upon a motion duly made by Director Grant, seconded by Director Brabec and, upon vote, unanimously carried, the Board approved the agenda as amended to reflect the change in the Board meeting location.

Administrative Matters

A. Review and Consider Approval of Minutes for January 4, 2011 Special Meeting

Upon a motion duly made by Director Grant, seconded by Director Fischer and, upon vote, unanimously carried, the Board approved the January 4, 2011 Special Meeting Minutes as submitted.

B. Review and Consider Approval of Claims for Year End - December 2010

Following review and discussion and, upon a motion duly made by Director Brabec, seconded by Director Cobb and, upon vote, unanimously carried, the Board approved the Year End December 2010 claims represented by check numbers 2332 through 2337 totaling \$21,382.31. The Board requested that all backup for the claims along with check report be provided before the meeting electronically, and separate from the meeting packet.

C. Review and Consider Approval of Claims for January 2011

Following review and discussion and, upon a motion duly made by Director Grant, seconded by Director Fischer and, upon vote, unanimously carried, the Board approved the January 2011 claims represented by check numbers 2338 through 2342, totaling \$11,077.29. The Board requested that all backup for the claims along with check report be provided before the meeting electronically, and separate from the meeting packet.

RECORD OF PROCEEDINGS

D. Review and Consider Approval of Current Financial Statement as of December 31, 2010

The Board reviewed the Current Financial Statement as of December 31, 2010. Following discussion and, upon a motion by Director Cobb, seconded by Director Grant and, upon vote, unanimously carried, the Board approved the Current Financial Statement as of December 31, 2010. Director Cobb noted that the \$11,414 listed as “cost of issuance” should not exist and will be corrected in the audit.

Discussion Items

None.

Action Items

None.

Director Items

A. Placement of Horse Statue in Tract E, Bell Mountain Ranch Subdivision Filing 1A (Adjacent to Stables)

Director Dassel reported that Mr. Weaver has a statue that has been placed near the stables on Consolidated Bell Mountain Ranch property, and she is requesting that the Board approve the statue’s location.

Following discussion and upon a motion duly made by Director Brabec, seconded by Director Grant and, upon vote, unanimously carried, the Board approved the placement of statue on Tract E. The Board directed Mr. Flynn to draft a simple license agreement for this arrangement.

Attorney Items

None.

Community Comments

Mr. Ron Bulmer asked about the color of aggregate being placed adjacent to roads on trails. The Board reported that it is recycled asphalt. Mr. Bulmer also asked about access requirements for Lot 98. While the District is not responsible for making any decisions relating to the access, the District is researching this issue as it may affect the District’s adjacent property. As such, the District has no answer for Mr. Bulmer.

RECORD OF PROCEEDINGS

Executive
Session

Executive Session Per C.R.S. 24-6-402(4)(b) for Purposes of Receiving Legal Advice and C.R.S. 24-6-402(4)(e) for Purposes of Determining Positions Relative to Matters that Maybe Subject to Negotiations:

Upon a motion duly made by Director Dassel seconded by Director Brabec and upon vote, unanimously carried, the Board went into executive session pursuant to Sections 24-6-402(4)(b) and (e), C.R.S. for the purpose of receiving legal advice and determining positions relative to matters that may be subject to negotiations with respect to an improvement survey plat and a water system efficiency audit.

Present during the executive session were all five Board members and attorney, Timothy J. Flynn. The Board went into executive session at approximately 7:25 p.m. and returned to open public meeting at approximately 8:12 p.m. The executive session was electronically recorded as required by law.

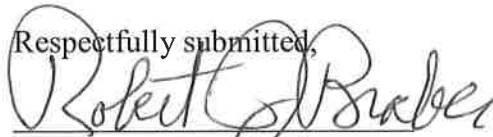
Upon returning to open public session legal counsel stated that during the executive session he had received instructions from the Board and that he would proceed accordingly.

Adjournment

Having no further business to conduct, Director Dassel adjourned the meeting at 8:12 p.m.

The foregoing minutes were approved by the Board of Directors on the 12th day of March, 2011.

The foregoing record constitutes a true and correct copy of the minutes of the above-referenced meeting.

Respectfully submitted,

Secretary for the Meeting