

RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING  
OF THE BOARD OF DIRECTORS OF THE  
CONSOLIDATED BMR METROPOLITAN DISTRICT  
HELD May 3, 2011

A regular meeting of the Board of Directors of the Consolidated BMR Metropolitan District was held on Tuesday, May 3, 2011 at 7:05 p.m. at Lowell Ranch located at 2330 South I-25, 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:

Bob Zimmerman; 1240 Glade Gulch  
Lynn Norwood; 3590 Winterhawk Creek  
Randy & Sandy Floyd; 3779 Bell Mountain Drive  
Susan Paddock; 180 Starburst Circle  
Amy Matger; 3697 Bell Mountain Drive  
Jim Holmes; 89 Burgundy Drive  
Keith Molenhouse; 3941 Bell Mountain Drive

Also in attendance:

Tim Flynn, Esq.; Collins Cockrel and Cole  
Howard McCarthy; Tetra Tech  
Jeff Sucher; Treatment Technology, Inc.  
Bob Blodgett; R.S. Wells, LLC  
Phillip Sack; Tetra Tech

Call to Order

Director Dassel called the meeting to order at 7:05 p.m. and verified a quorum.

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.

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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.

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

Director Dassel asked that the Lot 98 Access issues be added as Item VI - D under Director Items. She also added the Indemnification Resolution as Item VII - B under Attorney Items.

Upon a motion duly made by Director Brabec, seconded by Director Cobb and, upon vote, unanimously carried, the Board approved the agenda as amended.

### Manager's Report

#### A. Review and Consider Approval of Minutes for April 12, 2011 Special Meeting

After discussion, and upon a motion duly made by Director Grant, seconded by Director Cobb and, upon vote, unanimously carried, the Board approved the April 12, 2011 Special Meeting Minutes as submitted.

#### B. Review and Approve 2010 Draft Audit

After discussion, and upon a motion duly made by Director Brabec, seconded by Director Grant, and upon vote, unanimously carried, the Board approved the 2010 Audit as submitted and authorized the accountant to file the audit with the State Division of Local Government.

#### C. Review and Consider Approval of Claims for April 2011 Totaling \$14,098.54 and Direct Pays to IREA Totaling \$111.99 for a Grand Total of \$14,210.53

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Following review and discussion and, upon a motion duly made by Director Fischer, seconded by Director Cobb and upon vote, unanimously carried, the Board approved the April 2011 claims totaling \$14,098.54 with the addition of an IREA Direct Pay in the amount of \$111.99 for total claims in the amount of \$14,210.53.

D. Review and Consider Approval of Cash Position Report as of April 30, 2011

After discussion, and upon a motion duly made by Director Grant, seconded by Director Cobb and upon vote, unanimously carried, the Board accepted the Cash Position Report as of April 30, 2011.

Director Action  
Discussion  
Items

A. Evacuation Plan

Director Brabec agreed to contact Mr. Larrick to discuss the possibility of an alternate point of access into the Bell Mountain Ranch property through the Larrick Parcel. This will be returned at the June board meeting. Director Dassel will contact the Town of Castle Rock to commence discussions on an IGA. Tim Flynn, counsel for the District, recommended contacting the Fire Departments for the District to determine whether they have a plan in place at this time.

B. Chip and Seal Contract – Director Grant

Director Grant distributed a copy of the 2011 Chip, Seal and Striping Project (proposed) and a map supporting the recommendations. The scope for chip, seal and stripe would include:

1. Complete Bell Mountain Drive (Mariposa Road to Nightfire Circle) and;
2. Serenade Road

If sufficient monies are available following the completion of the above areas, then the following roads will be considered depending on condition after inspection to determine order of priority:

1. Winterhawk Circle
2. Windchant Circle
3. Bowles Sun
4. Enchantra

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Striping will include Glade Gulch Road from Bell Mountain Parkway to Serenade Road.

After discussion, the Board approved this scope of work and authorized Director Grant to send the necessary specifications and contract language to Mr. Flynn and Mr. Blodgett to coordinate advertising the work for bids as soon as possible. Director Grant anticipates the work will begin in July of this year.

C. Presentation by Jim Holmes, of Back Country Horsemen Regarding Upcoming Event, Trail Ride and Trail Clearing

Mr. Holmes and other round-up riders described the upcoming open house events, trail ride and trail clearing work on the equestrian trails within the Ranch. He noted realtors will be riding the trails in order to learn more about this important asset of Bell Mountain Ranch. It is an opportunity to showcase the Ranch homes and its trails. The objective is to also keep the trails cleared and safe for current and future residents.

Upon a motion duly made by Director Brabec, seconded by Director Fischer, and upon vote, unanimously carried, the Board authorized the Back Country Horsemen and the group known as Realtors Who Ride to have access to the Bell Mountain Ranch trails subject to providing necessary insurance, signing necessary waivers, and naming Consolidated Bell Mountain Ranch Metropolitan District as an additional insured.

Mr. Holmes asked for information regarding a comparison of Bell Mountain Ranch to other large lot custom home projects. Director Dassel reported she recently prepared a Power Point presentation for the Douglas/Elbert County real estate association offices regarding costs and taxes in comparing Bell Mountain Ranch to Keene Ranch and others. She will provide this Power Point if it cannot be obtained from the DECREA.

D. Lot 98 Driveway Permit and Access

Director Dassel reported Mr. Fouts has contacted her. She stated he is moving forward with the driveway construction access to the frontage road. Once specific written plans are available for consideration, this issue will be brought forward to a future meeting.

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Attorney Items

A. Survey Improvement Plat – Final Approval and Authorization for Filing with Douglas County

Mr. Flynn presented this plat to the Board. After discussion, and upon a motion duly made by Director Brabec, seconded by Director Grant, and upon vote, unanimously carried, the Board approved the survey improvement plat and authorized its filing by Mr. Flynn if no comments are received from the Directors within three days.

Director Dassel reported the District is waiting on this survey to be filed and thereafter the trail use agreement and emergency access issues can be negotiated related to Lot 98.

B. Indemnification Resolution

Upon a motion duly made by Director Brabec, seconded by Director Grant, and upon vote, unanimously carried, the Board approved the Indemnification Resolution.

Community  
Comments

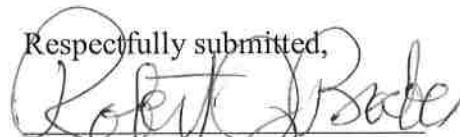
None

Adjournment

Upon a motion duly made by Director Cobb, seconded by Director Fischer and upon vote, unanimously carried, the Board adjourned the meeting at 7:30 p.m.

The foregoing minutes were approved by the Board of Directors on the 7<sup>th</sup> day of June, 2011.

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

Respectfully submitted,  
  
Secretary for the Meeting