

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CONSOLIDATED BMR METROPOLITAN DISTRICT HELD SEPTEMBER 6, 2011

A regular meeting of the Board of Directors of the Consolidated BMR Metropolitan District was held on Tuesday, September 6, 2011 at 8:20 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
Kirk Fischer
Russell Grant

Residents and others:

Doug Luallen; 4559 Bell Mountain Drive
Kathy Java; 4559 Bell Mountain Drive

Also in attendance:

Tim Flynn, Esq.; Collins Cockrel and Cole
Bob Blodgett; Clifton Gunderson, LLP
Howard McCarthy, Tetra Tech, Inc.
Jeff Sucher; Treatment Technology, Inc.

Call to Order

Director Dassel called the meeting to order at 8:20 p.m. and verified a quorum.

Upon a motion duly made by Director Fischer, seconded by Director Cobb and upon a vote, unanimously carried, the Board excused the absence of Director Brabec.

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.

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

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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

Upon a motion duly made by Director Grant, seconded by Director Fischer and upon a vote, unanimously carried, the Board approved the agenda as submitted.

Manager's Report

A. Review and Consider Approval of Minutes for August 2, 2011 Regular Meeting

Following discussion, and upon a motion duly made by Director Fischer, seconded by Director Cobb and upon a vote, unanimously carried, the Board approved the August 2, 2011 Regular Meeting Minutes as submitted.

B. Review and Consider Approval of Claims for August 2011 Totaling \$147,885.27 and Direct Pays to IREA Totaling \$79.76 for a Grand Total of \$147,965.03

Following review and discussion, and upon a motion duly made by Director Fischer, seconded by Director Cobb and upon a vote, unanimously carried, the Board approved the August 2011 claims totaling \$147,885.27 with the addition of an IREA Direct Pay in the amount of \$79.76, represented by check numbers 2396 through 2403 for total claims in the amount of \$147,965.03.

Director Grant reported that the payment to A-1 Chip Seal contains a change order in the amount of \$6,254.50 for additional quantities beyond that which was originally bid. With this change order amount, the project is still within the total budget of \$110,000 for the year. Striping of the chip seal roads is also included.

Upon a motion duly made by Director Dassel, seconded by Director Cobb, and upon a vote, unanimously carried, the Board approved the change order with A-1 Chip Seal in the amount of \$6,254.50.

Director Dassel asked that the APM work be reviewed to determine if the HOA should be billed for any of the horse trail maintenance work.

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C. Review and Accept Cash Position as of August 31, 2011

Director Cobb reviewed the Cash Position Report with the Board.

Upon a motion duly made by Director Fischer, seconded by Director Cobb, and upon a vote, unanimously carried, the Board accepted the August 31, 2011 Cash Position Report.

D. Accept September 1, 2011 Cash Position Request

Not discussed.

E. Accept 2010 Preliminary Assessed Value Report for Collection in 2012

Mr. Blodgett distributed copies of the certified values from the Douglas County Assessor for the District for collection of 2012. The District's assessed value declined from \$17.8 million in 2009 to \$13.9 million in 2010 for collection in 2012. The Board accepted the 2010 Preliminary Assessed Value Report.

F. Review 2012 Budget Process

Director Cobb reported Mr. Simmons will provide a template to him for preparation of the draft budget. He will prepare this for review by the Board and consultants by the October 15th deadline. The Board confirmed that it intends to consider adoption of the 2012 Budget at a meeting to be held November of this year.

Director Action Discussion Items

A. Status of Chip and Seal Contract Work

Director Grant reported that several complaints were received regarding globs of material on Medallion from the trucks who are chip and sealing adjacent streets. The contractors agreed to return to Medallion Street and clean up the globs of gravel and asphalt.

Attorney Items

A. Status of Recording of Improvement Plat Survey

Mr. Flynn reported that the surveyor sent the wrong recording fee to Douglas County. The surveyor will correct that this week so that the improvement plat survey can be recorded.

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Community
Comments

None.

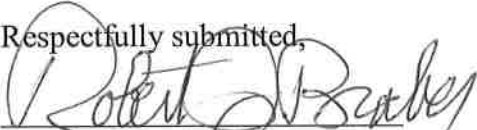
Adjournment

Upon a motion duly made by Director Cobb, seconded by Director Grant, and upon a vote, unanimously carried, the Board adjourned the meeting at 8:35 p.m.

The foregoing minutes were approved by the Board of Directors on the 4 day of Oct, 2011.

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

Respectfully submitted,



Secretary for the Meeting