

## RECORD OF PROCEEDINGS

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### MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT HELD AUGUST 4, 2009

A special meeting of the Board of Directors of the Consolidated Bell Mountain Ranch Metropolitan District was held on Tuesday, August 4, 2009 at 5:30 p.m., at the Lowell Ranch, 2330 South I-25, Castle Rock, Colorado, 80104. The meeting was open to the public.

#### Attendance

In attendance were Directors:

Alan Cobb  
Bob Brabec  
Russell Grant  
Kirk Fischer

Absent and excused was Director Dassel

Also in attendance were:

Chuck Reid; R.S. Wells L.L.C.  
Tim Flynn, Esq.; Collins Cockrel and Cole  
John Simmons; Simmons & Wheeler, P.C.  
Bob Zimmermann; 1240 Glade Gulch, Castle Rock, CO  
Al Hawkins; 1238 Riva Rose, Castle Rock, CO  
Jack Shiker; 4424 Mariposa Road, Castle Rock, CO  
Lynne Norwood; 3590 Winterhawk Circle, Castle Rock, CO

#### Call to Order

Director Brabec called the meeting to order at 5:40 p.m., declared a quorum present, and noted that all Directors were present except Director Dassel. Director Brabec also noted that the meeting had been posted and is being held in a location that meets statutory requirements.

Upon a motion duly made by Director Grant, seconded by Director Cobb and, upon vote, unanimously carried, the Board excused Director Dassel's absence.

#### Conflicts of Interest / Approval Of Agenda

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 from each Director's respective directorship position with the BMR Metropolitan District, which provides water service to all of the residences within the District and has entered into and may from time to time enter into agreements with the District. In addition, Director Brabec

disclosed that he is a member of the Bell Mountain Ranch Home Owners Association Board of Directors.

All Disclosure of Potential Conflict of Interest Statements, whether filed for this meeting or previously are deemed continuing in nature and are incorporated into the record of the meeting. Each Director summarily stated for the record the fact and nature of his or her respective private interests and further stated that the determination to participate in voting or take any other action on any contract or other matter in which he/she may have a private interest would be made in compliance with Section 24-18-201(1)(b), C.R.S., on an *ad hoc* basis. The Board turned its attention to the agenda items.

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

Administrative

Matters

- A. Review and Consider Approval of Minutes for July 7, 2009 Regular Meeting

Mr. Reid distributed the July 7, 2009 minutes to the Board. Following review, upon a motion duly made by Director Fischer, seconded by Director Cobb and, upon vote, unanimously carried, the Board approved the minutes as presented.

- B. Review and Consider Approval of Claims for July 2009

Following review, upon a motion duly made by Director Cobb, seconded by Director Grant and, upon vote, unanimously carried, the Board approved claims for July 2009 totaling \$22,913.26, represented by check numbers 2183 through 2190.

- C. Review and Consider Approval of Unaudited Financial Statements as of June 30, 2009

Mr. Simmons presented the unaudited financial statements as of June 30, 2009 to the Board. Following review and discussion, upon a motion duly made by Director Grant, seconded by Director Cobb and, upon vote, unanimously carried, the Board accepted the unaudited financial statements as presented, which included updated 2009 Budget projections.

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### Director Items

#### A. Chip N Seal Road Project

Director Grant distributed A-1 Chipseal's 2009 chip-seal proposal to the Board. Mr. Flynn would like to remove Item 14 from A-1 Chipseal's proposed term and conditions. Following discussion, Director Fischer moved and Director Cobb seconded a motion to approve A-1 Chipseal's proposal in an amount not to exceed \$26,500, with item 14 removed from A-1 Chipseal's proposed the terms and conditions. The motion passed unanimously.

#### B. Road Repair to Water Storage

Director Brabec reported that the road repair is almost complete. There are some final drainage issues that the contractor will address.

#### C. Drainage at Riva Rose and Glade Gulch

Director Brabec reported that the drainage project at Riva Rose and Glade Gulch is almost complete, although there are some drainage issues uphill of the intersection that need to be addressed.

#### D. Trail Erosion

Director Brabec presented a proposal from Advanced Property Maintenance, Inc. for repair of erosion damage to paths in the amount of \$5,840. The paths to be repaired include:

Serenade to Bell Mountain;  
Bell Mountain to Glade Gulch;  
Glade Gulch to Serenade; and  
Serenade south to the water treatment plant.

Additionally, there is asphalt settling on Night Wind Circle that needs to be fixed.

Discussion occurred as to whether the proposed work will fix the problem, or just redirect the erosion. The Board determined that additional trail repairs will be needed and weeds are still an issue. Following discussion, upon a motion duly made by Director Grant, seconded by Director Cobb and, upon vote, unanimously carried, the Board approved the proposal from Advanced Property Maintenance, Inc. for trail erosion repairs for an amount not to exceed \$6,000.

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E. Other

Director Fischer noted that with Douglas County consolidating bus routes, there may be traffic concerns at the Community Park due to student drop-off and pick-up activity.

Attorney Items

Mr. Flynn reported that he is still working on the Douglas County and Elbert County Horse Council's liability agreement, as well as the stables' trail access easements.

Mr. Flynn noted that the Settlement Agreement has been approved by 175 property owners!

Informational Items

A. Greenscapes by Carol Spreadsheet

The Board was pleased with the newly created spreadsheet to track the Greenscapes by Carol invoices and billing to the HOA, along with the contract amount.

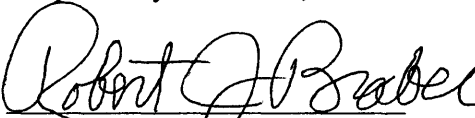
Adjournment

With no other business to discuss, upon a motion duly made by Director Cobb, seconded by Director Fischer and, upon vote, unanimously carried, the Board adjourned the meeting at 6:21 p.m.

The foregoing minutes were approved by the Board of Directors on the 1st day of September, 2009.

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

Respectfully submitted,

  
Secretary for the Meeting