

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT HELD JUNE 2, 2009

A regular meeting of the Board of Directors of the Consolidated Bell Mountain Ranch Metropolitan District was held on Tuesday, June 2, 2009 at 6:30 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:

Kirk Fischer
Jeanne Dassel
Alan Cobb
Russell Grant

Absent and excused was Director Brabec.

Also in attendance were:

Bob Brooks; R.S. Wells, L.L.C.
Tim Flynn; Collins Cockrel and Cole
Jeff Sucher; Treatment Technologies
Al Hawkins; 1238 Riva Rose, Castle Rock, CO
Bob Zimmerman; 1240 Glade Gulch Road, Castle Rock, CO

Call to Order

Director Dassel called the meeting to order at 7:02 p.m., declared a quorum present, and noted that all Director's were present except for Director Bob Brabec who was absent, and upon a motion by Director Fischer, seconded by Director Cobb and, upon vote, unanimously carried, his absence was excused. Director Dassel also noted that the meeting had been posted and is being held in a location that meets statutory requirements.

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.

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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.

After each Director as summarily stated for the record the fact and nature of his or her respective private interests and have further stated that the determination to participate in voting or take any other action on any contract or other matter in which he 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 turns it's attention to the agenda items.

Quorum Confirmed

A quorum was confirmed for the June 2, 2009 meeting.

Administrative Matters

A. Review and Consider Approval of Minutes from the April 7, 2009 Regular Meeting

Mr. Brooks distributed revised minutes for the Board meeting held April 7, 2009. Following review, upon a motion duly made by Director Fischer, seconded by Director Cobb, and upon vote, unanimously carried, the Board approved the April 7, 2009 minutes as presented.

B. Review and Consider Approval of Minutes from the May 5, 2009 Regular Meeting

Mr. Brooks distributed revised minutes for the Board meeting held May 5, 2009. Mr. Flynn commented that the disclosure statements should be revised and will provide wording for same. Following review and discussion, upon a motion duly made by Director Grant, seconded by Director Fisher and, carried upon a majority vote, the Board approved the May 5, 2009 meeting minutes, with Director Fischer abstaining as he was absent from that meeting.

Mr. Flynn prepared minutes for May 6th, 8th, 9th and 13th for Consolidated Bell Mountain Ranch. Those were distributed and should be placed on the Board's July agenda.

C. Review and Consider Approval of Claims for May 2009

Mr. Brooks presented the Board with a list of claims for May 2009 consisting of checks numbers 2164 through 2172 totaling \$ 28,770.06. Following review, upon a motion duly made by Director Cobb, seconded by Director Grant and, upon vote, unanimously carried, the Board approved the claims for May 2009 totaling \$28,770.06 as presented.

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D. Review and Consider Approval of Unaudited Financial Statements as of April 30, 2009

Mr. Brooks distributed the unaudited financial statements for the District through April 30, 2009 containing a compilation balance sheet, a general fund compilation report and a compilation report for the debt service fund. Following review and discussion, upon a motion duly made by Director Cobb, seconded by Director Grant and, upon vote, unanimously carried, the Board accepted the unaudited financial statements as of April 30, 2009, as presented.

Director Items

A. Chip N Seal Road Project / Director Grant

Director Grant reported that he has received options for the chip and seal project at a cost estimate for various options ranging from just over \$30,000 to just over \$21,000. Following discussion of several options, upon a motion duly made by Director Cobb, seconded by Director Grant and upon vote, unanimously carried, the Board approved the option for chip and seal road project and authorized expenditures up to \$22,000 which would include both chip and seal and striping by Colbe Striping.

B. Road Repair to Water Storage

Director Grant reported that the Water Storage Road is in desperate need of repair. An assessment was done and an estimate provided in the neighborhood of \$15,700 to repair the roads sufficiently that it doesn't deteriorate further. Following discussion, upon a motion duly made by Director Grant, seconded by Director Fischer and, upon vote, unanimously carried the Board authorized the road repair not to exceed \$15,700.

C. Fence Repair

The Board discussed the repair of a fence that had been damaged by an automobile accident. Director Dassel had discussed the repair with Bell Mountain Stables, who had offered to make the needed repair for a cost of \$710. Upon a motion by Director Fischer, seconded by Director Grant and, upon vote, unanimously carried, the Board authorized Director Dassel to work with Bell Mountain Stables and authorized the repair for a cost of approximately \$710 and also for Director Dassel to work with the insurance company in order to collect any funds from the automobile driver responsible for the damage.

Informational Items

Bob Zimmerman reported that he has observed a number of weeds and dandelions in the park and wondered whether spraying was done last week. Director Dassel said that it was her understanding that spraying was

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done and they would follow up with the landscaper to make sure that the weeds are tended to.

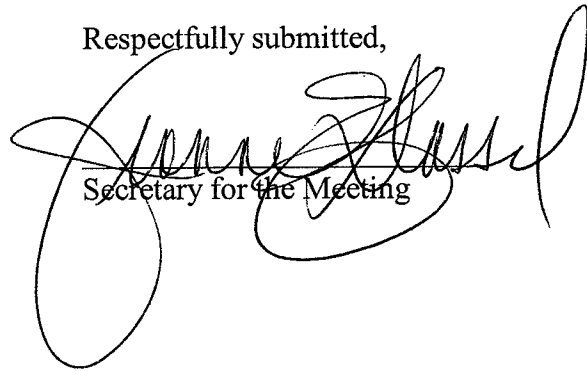
Adjournment

With no other business to come before the Board, upon a motion duly made by Director Grant, seconded by Director Cobb and, upon vote, unanimously carried, the Board adjourned the meeting at 7:31 p.m.

The foregoing minutes were approved by the Board of Directors on the 7 day of July, 2009.

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

Respectfully submitted,



Secretary for the Meeting