

# 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 JUNE 8, 2010

A special meeting of the Board of Directors of the Consolidated Bell Mountain Ranch Metropolitan District was held on Tuesday, June 8, 2010 at 6:30 p.m. at MedVed Autoplex, 156 S. Wilcox, Castle Rock, Colorado 80104.

### Attendance

In attendance were Directors:

Jeanne Dassel  
Alan Cobb  
Russell Grant  
Bob Brabec  
Kirk Fischer

Residents and others in attendance:

Lynne Norwood; 3590 Winterhawk Circle  
Al Hawkins; 1238 Riva Rose Circle, Castle Rock, CO  
Bob Zimmerman; 1240 Glade Gulch, Castle Rock, CO  
Justin Kolb; 1271 Rosewind, Castle Rock, CO  
Will Koger; Nolte & Associates

Also in attendance:

Tim Flynn, Esq.; Collins Cockrel and Cole  
Sam Sharp; D.A. Davidson & Company  
Chuck Reid; R.S. Wells L.L.C.

### Call to Order

Director Dassel called the meeting to order at 7:12 p.m. Director Dassel also noted that the meeting had been posted and is being held in a location that meets statutory requirements.

### 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 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

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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 then turned its attention to the agenda items.

### Approval of Agenda

The agenda was modified so that Sam Sharp could report the results of the recent bond transaction. With this change, Director Brabec moved and Director Cobb seconded a motion to approve the agenda as amended. The motion passed unanimously.

### Update on Bond Transaction

Mr. Sharp reported that the bond transaction, which refunded existing bonds with a lower interest rate bond and no new debt, closed earlier in the day, with an "all-in cost" of 5.08%. This translates to a present value savings of approximately \$1.5 million, with annual debt service payments that align with the cash flow produced from tax receipts. The Board will schedule a community meeting to present this information to the community.

Thanks and appreciation were expressed to Mr. Sharp by the Board, and to the Board by the community for a smooth and efficient bond refunding process and result.

### Manager's Report / Administrative Matters

A. Review and Consider Approval of Minutes for March 18, 2010  
Special Meeting

Following review and discussion, there was a motion to approve the March 18, 2010 special meeting minutes made by Director Brabec, seconded by Director Grant. The motion passed unanimously.

B. Review and Consider Approval of Minutes for April 6, 2010  
Regular Meeting

Following review and discussion, there was a motion to approve the April 6, 2010 minutes made by Director Cobb, seconded by Director Grant. The motion passed unanimously.

C. Review and Consider Approval of Minutes for May 4, 2010  
Regular Meeting

Following review and discussion, there was a motion to approve the May 4, 2010 minutes made by Director Grant, seconded by Director Fischer. The motion passed unanimously.

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### D. Review and Consider Approval of Claims

Mr. Flynn requested that the invoice for Collins, Cockrel & Cole be pulled from the current claims as certain expenses in the invoice should have been charged to the bond transaction, and paid at the bond closing. With this change, and upon a motion duly made by Director Fischer, seconded by Director Brabec and, upon vote, unanimously carried, the Board approved the claims totaling \$13,536.34, represented by check numbers 2275, and 2277 through 2281.

### E. Review and Consider Approval of Cash Position

The Board briefly reviewed the cash position as of June 8, 2010. Following review and a request to receive the cash position statement with the packet or emailed separately before the meeting, Director Grant moved and Director Fischer seconded a motion accepting the cash position as of June 8, 2010.

### Director Items

#### A. Road Improvements

Director Brabec reported that shoulder edging work is needed on Bell Mountain Drive, as well as Glade Gulch. Following discussion, Director Cobb moved and Director Fischer seconded a motion approving a work order with APM for shoulder edging in an amount not to exceed \$4,200, and authorizing Director Brabec to execute this contract. The motion passed unanimously.

Director Brabec requested authority to enter into a contract for one-time street sweeping. Following discussion, Director Grant moved and Director Cobb seconded a motion approving a work order with APM for street sweeping in an amount not to exceed \$1,640, and authorizing Director Brabec to execute this contract. The motion passed unanimously.

Director Brabec updated the Board on the crack sealing efforts, and requested funds for crack sealing. Following discussion, Director Fischer moved and Director Grant seconded a motion approving a work order with Ferguson & Sons for crack sealing in an amount not to exceed \$4,200, and authorizing Director Brabec to execute this contract. The motion passed unanimously.

Director Grant reported that he is negotiating final unit costs with A1 Chipseal & Paving for the 2010 road resurfacing project. Following discussion, Director Brabec moved and Director Fischer seconded a motion approving a work order with A1 Chipseal & Paving for road resurfacing in an amount not to exceed \$40,000, and authorizing Director Grant to execute this contract and

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schedule the work, subject to review by Mr. Flynn if required. The motion passed unanimously. Director Grant noted that if Mr. Flynn objected to the form of contract with A1, this issue would be brought back to the Board.

### B. Fireworks Resolution

Director Dassel noted that Douglas County has adopted a policy that prohibits fireworks on open space property, and is interested in having the District prohibit the use of fireworks within the boundaries of the District. Following discussion, Director Brabec moved and Director Grant seconded a motion prohibiting the use of fireworks on all open space and other tracts owned by Consolidated Bell Mountain Ranch Metropolitan District as defined in Section 12-28-101(3), C.R.S., including permissible fireworks as defined in Section 12-28-101(8), C.R.S. The motion further authorized Mr. Flynn to draft a resolution which shall include penalties for the violation of this regulation. The motion passed unanimously.

### Attorney Items

Mr. Flynn reported that he is working with Director Dassel to finalize exhibit documents for the agreement between the District and Bell Mountain Ranch Stables, and that he expects to deliver it to Directors Brabec and Fischer soon that they can meet with the stable owner in the near future.

### Community Comments

Mr. Hawkins asked who he contacts regarding broken streetlights. He was informed that the appropriate contact is IREA and that he can contact them directly or direct the Board to do so. Mr. Hawkins stated he would be glad to contact IREA.

### Adjournment

With no other business to discuss, the meeting was adjourned at 8:10 p.m.

The foregoing minutes were approved by the Board of Directors on the 3 day of Aug, 2010.

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

Respectfully submitted,

  
Secretary for the Meeting