

RECORD OF PROCEEDINGS

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MINUTES OF A SPECIAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
BMR METROPOLITAN DISTRICT  
HELD  
MAY 12, 2008

A special meeting of the Board of Directors of the BMR Metropolitan District was held on Monday, May 12, 2008 at 1:00 p.m. at the offices of R.S. Wells L.L.C., 8390 E. Crescent Pkwy., Suite 500, Greenwood Village, Colorado. The meeting was open to the public.

Attendance: In attendance were Directors:

Evan Zucker  
Scott Schaible

Absent and excused was Director Mulvihill.

Also in attendance:

David Peak; R.S.Wells L.L.C.  
Mary Jo Dougherty, Esq.; McGeady Sisneros, P.C.  
John Simmons; Simmons & Wheeler P.C.  
Jeff Sucher; Treatment Technology, Inc.  
Benson Smith; Treatment Technology, Inc.  
Griff Johnston; Johnston Engineering Associates, Inc.  
Evan Euder; BMRA, L.P.

Call to Order Director Zucker called the meeting to order and declared a quorum was present.

Disclosures of Potential Conflicts Of Interest The Board discussed the requirements of Colorado law to disclose any potential conflicts of interest or potential breaches of fiduciary duty of the Board of Directors to the Secretary of State. The members of the Board were requested to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with statute.

Approve Agenda Following review, upon a motion duly made by Director Zucker, seconded by Director Schaible and, upon vote, unanimously carried, the Board approved the agenda as presented and excused the absence of Director Mulvihill.

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Review/Approve  
Minutes

Following review, upon a motion duly made by Director Schaible, seconded by Director Zucker and, upon vote, unanimously carried, the Board approved the February 4, 2008 Regular Board Meeting Minutes as presented.

Oath of Office

Director Zucker administered the Oath of Office to Director Schaible.

Community  
Comments

There were no comments from the public present.

Financial Matters

A. Ratify Approval of February 2008 Claims.

Following review, upon a motion duly made by Director Zucker, seconded by Director Schaible and, upon vote, unanimously carried, the Board ratified approval of the claims for February 2008, totaling \$38,226.69, represented by check numbers 1564 through 1581.

B. Ratify Approval of March 2008 Claims.

Following review, upon a motion duly made by Director Zucker, seconded by Director Schaible and, upon vote, unanimously carried, the Board approved claims for March 2008, totaling \$25,856.88, represented by check numbers 1582 through 1590.

C. Review and Consider Approval of April 2008 Claims.

Following review, upon a motion duly made by Director Zucker, seconded by Director Schaible and, upon vote, unanimously carried, the Board approved claims for April 2008, totaling \$46,551.22, represented by check numbers 1591 through 1605.

D. Review and Accept March 31, 2008 Unaudited Financial Statements.

Mr. Simmons presented the unaudited financial statements as of March 31, 2008 to the Board. Following review, upon a motion duly made by Director Schaible, seconded by Director Zucker and, upon vote, unanimously carried, the Board accepted the March 31, 2008 unaudited financial statements as presented.

E. Status of the 2007 Audit.

Mr. Simmons will send the 2007 Audit to the Board.

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### Water System Issues

- A. Update on Water System – Treatment Technology / Don Murray.

Mr. Sucher presented the water system operations report and reviewed the highlights with the Board. The Board expressed concerns regarding the operations. Benson Smith indicated the water operation treatment was averaging 650 – 700 bags a month for iron removal. The Board requested information on why the cost of chemicals had risen so much. The Board will have to amend the budget if the costs continue to rise.

### Consultant Reports

- A. Manager.

1. Consumption and Charges Report and Delinquent Accounts Report.

Mr. Peak reviewed the consumption and charges report and the delinquent accounts report with the Board. There were no comments.

- B. Attorney.

1. Report on Legal Matters.

Nothing to report at this time.

2. Update on Status of Inclusion Agreement for Stevens Ranch Parcel.

Mr. Peak reported the Stevens Ranch Parcel should be included into Consolidated Bell Mountain Ranch Metropolitan District within the next couple of months.

- C. Engineer.

1. Update on Phosphorous Allocation Request.

Mr. Johnson reported on the phosphorous allocation request. Discussion of how to deal with the situation ensued. The Board has requested Mr. Johnson to update the Phosphorous Allocation Request.

### Directors' Items

- A. Request from Resident / Customer – Robert Salerno.

Due to late request, the Board declined to consider the customer's request.

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Other Business

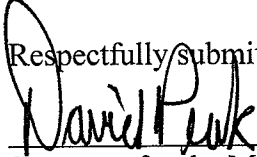
Nothing further to report at this time.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Schaible, seconded by Director Zucker and, upon vote, unanimously carried, the Board adjourned the meeting at 2:07 p.m.

The foregoing minutes were approved by the Board of Directors on the 8<sup>th</sup> day of September, 2008.

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

Respectfully submitted,  
  
Secretary for the Meeting