

RECORD OF PROCEEDINGS

MINUTES OF PUBLIC PRESENTATIONS BOARD OF DIRECTORS CONSOLIDATED BELL MOUNTAIN RANCH METROPOLITAN DISTRICT DOUGLAS COUNTY, COLORADO MAY 6TH, 8TH, 9TH AND 13TH

On May 6th, 8th, 9th and 13th various members of the Board of Directors of the Consolidated Bell Mountain Ranch Metropolitan District ("District") and the Board of Directors of the Bell Mountain Ranch Home Owners Association ("HOA") jointly held open public sessions in the barn at the Paul and Jeanne Dassel residence located at 1267 Stardust Circle, Castle Rock, Colorado 80104. The public sessions were held for the purpose of providing information and answering questions for the home owners and residents of Bell Mountain Ranch regarding a Settlement Agreement entered into between the District, HOA and various other parties including but not limited to Bromley District Water Providers, LLC, Bell Mountain Ranch Associates Limited Partnership (the Developer of Bell Mountain Ranch), Bell Mountain Water Company, Robert A. Lembke and others ("the Parties"). The Settlement Agreement needs to be ratified by at least 205 of the homeowners in Bell Mountain Ranch.

Attendance

At least two of the following five Directors were in attendance at each meeting and some Directors attended all of the meetings:

Jeanne Dassel
Bob Brabec
Alan Cobb
Russell Grant
Kirk Fischer

Also in attendance were:

Timothy J. Flynn from Collins Cockrel and Cole, the District's legal counsel
Steven Larson from Johnson & Repucci, LLP, special water counsel for the District and the Homeowners Association and
Lisa Meyers, special counsel for the Homeowners Association

Call to Order

Each presentation was called to order by Robert Brabec who presided as Chair. Mr. Brabec introduced Steven Larson who provided a detailed overview and presentation regarding the dispute that had arisen, the Settlement Agreement and the benefits to be obtained from having the Settlement Agreement approved and ratified by the required 205 homeowners. Mr. Larson explained that the dispute arose out of the HOA's challenge to Developer's conveyance of certain Denver Basin Water Rights to Bromley District Water Providers and others. In addition, the HOA challenged the right of the District and the BMR District to grant certain easements to Bromley District Water Providers their successors and assigns.

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The Settlement Agreement was entered into for the purpose of resolving all issues, releasing all claims amongst all parties and, further requires the Developer to forgive approximately \$4,000,000 of contingent debt owed by the District to the Developer by reason of the Developer having provided certain funding for various public improvements constructed by the District, which contingent liability is not less than \$2,758,394 in principal as more particularly described in the Settlement Agreement.

Mr. Larson's presentation consisted of a Power Point presentation, a copy of which is attached to the original of these minutes.

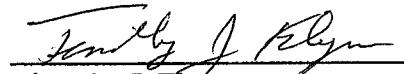
During each presentation there was a question and answer session, during which residents were able to present their questions to either various Board Members or legal counsel present and to have those questions answered.

The purpose of the meeting, was to provide information to and encourage Bell Mountain Ranch homeowners to each execute an appropriate ratification form evidencing their approval of the Settlement Agreement.

Each meeting lasted approximately an hour and a half to an hour and 45 minutes.

At the conclusion of the meeting, various residents gathered to sign ratification forms in the presence of a Notary and to deliver those forms to Director Brabec who is acting as the custodian for purposes of transmitting signed ratification forms to the Escrow Agent named in the Settlement Agreement.

Respectfully submitted,



Timothy J. Flynn,
Recording Secretary for the Meeting