

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
HELD
JULY 23, 2015**

A regular meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 1 (referred to hereafter as "Board") was held on July 23, 2015 at the NorthTree Ranch House, 6885 Vista del Pico, Colorado Springs, CO 80927 at 9:00 a.m. The meeting was open to the public.

Attendance Directors in attendance were:

Chad Ellington
Michael C. Tinlin
William Ritchie
Charles P. Leder

Also in attendance were:

Carrie Bartow, Chuck Reid, Shannon Torgerson; CliftonLarsonAllen LLP
Karen Oerter; MSI
Brandon Larson; GVR Landscape
Marti Wallner; YMCA Pikes Peak Region
Bruce Rau; Oakwood Homes
Stacy S. Jensen; 8098 Hollygrape Lane
Jeff Kistler; 7878 Silver Birch Drive
Dallas Pierce; 7168 Spring Linden
Greg Gillum; 8235 Birch Tree Loop

Call to Order/

Agenda Director Ellington called the meeting to order and confirmed a quorum. Following review, upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the agenda as presented.

Disclosure of Potential Conflicts of Interest The Directors present noted for the record that they have financial interests in entities active in developing property within the boundaries of the District, or are employed by such entities, and that such interests may be affected from time to time by actions of the District's Board of Directors. In accordance with state law, the Directors have filed written disclosures describing such potential conflicts of interest with the Secretary of State, and the directors present verbally reaffirmed such disclosures on the record of this meeting.

RECORD OF PROCEEDINGS

Motion to
Accept the
Resignation
Of Jeffrey
P. Carlson

Upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board accepted the resignation of Jeffrey P. Carlson.

Motion to
Appoint
Bruce Rau
To the Board
And
Administer
Oath of
Office

Upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board appointed Bruce Rau to the Board and administered the Oath of Office.

Consider
Appointment
Of New
Slate of
Officers

President: Michael C. Tinlin
Secretary/Treasurer: Bruce Rau
Assistant Secretary: Chad Ellington
Assistant Secretary: William Ritchie
Assistant Secretary: Charles P. Leder

Approval of
Minutes

Following review and discussion, upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the minutes of the April 23, 2015 regular meeting as presented.

Community
Comments

None.

Attorney
Matters

None.

Financial
Matters

A. Ratify Approval of Claims Totaling \$356,245.00

Ms. Bartow presented claims for ratification. Following discussion, upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board ratified approval of the

RECORD OF PROCEEDINGS

claims totaling \$356,245.00. Director Tinlin asked if the landscape refund should exclude the \$125.00 design fee.

B. Review and Consider Approval of Unaudited Financial Statements as of May 31, 2015

Ms. Bartow presented the financial statements. Following review and discussion, upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the unaudited financial statements as of May 31, 2015.

C. Update on 2014 Audit

Ms. Bartow updated the Board on the status of the 2014 Audit. An extension was filed as Biggs Kofford is doing field work, with completion expected next week. No substantial changes are expected. Upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the 2014 Audit subject to finalization.

Administrative
Matters

A. Review and Ratify Approval of Community Center Services Agreement between Banning Lewis Ranch Metropolitan District No. 1 and the YMCA of the Pikes Peak Region

Those involved with the negotiations noted that the issues brought up at the last meeting have been addressed. Ms. Pierce noted that the agreement is \$24,000 per year higher than the WTS International Agreement had been, and that it appeared the revenue shared benefits the YMCA at the District's expense. Per the agreement, 80% of revenues are going to the YMCA, 15% had previously gone to WTS International. Specific costs were discussed, including start-up costs and vaccinations. Residents were concerned with the cost increased. It was noted that dues were not changing, and the biggest increase was due to adding lifeguards at the new Aquatic Center. Following review and discussion, upon a motion duly made by Director Ellington, seconded by Director Tinlin and, upon vote, unanimously carried, the Board ratified approval of the Community Center Services Agreement between Banning Lewis Ranch Metropolitan District No. 1 and the YMCA of the Pikes Peak Region.

B. Recreation Center Operations

1. WTS Monthly Report – June, 2015

Ms. Wallner reviewed the June, 2015 report. A resident survey will be closing July 24th, and results will be brought back to the Board. New

RECORD OF PROCEEDINGS

classes are being proposed. Processes and systems are being developed for all facilities and programming.

C. Review Landscape Maintenance Operations

Mr. Larson reviewed the landscape maintenance report. He noted the irrigation controls will allow for weekly analytics of zones to research any issues. Additional information on irrigation was discussed, erosion is being addressed at three private residences. Mr. Larson proposed expansion of tree maintenance and asked to provide material options for enhancements proposed.

D. Covenant Control Operations

1. Review Covenant Enforcement / Violation Log
2. Review Design Review Request Report

Ms. Oerter reviewed the reports with the Board, noting there had been a lot of landscaping Design Review Requests.

E. Other

None.

Directors
Matters

None.

Other
Business

A. Confirm Quorum for Next Meeting Date – September 24, 2015

The Board confirmed a quorum for the September 24, 2015 meeting.

Adjournment Following discussion, with no further items to come before the Board, upon a motion duly made by Director Tinlin, seconded by Director Ellington and, upon vote, unanimously carried, the Board adjourned the meeting at 10:04 a.m.

Respectfully submitted,



Secretary for the Meeting