

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARDS OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 1
HELD
JULY 18 2019**

A regular meeting of the Boards of Directors of the Banning Lewis Ranch Metropolitan District No. 1 (referred to hereafter as the "Board") was held on July 18, 2019 at 9:00 a.m. at the North Tree Ranch House, 6885 Vista del Pico, Colorado Springs, CO 80927. The meeting was open to the public.

Attendance

Directors in attendance:

Bruce Rau
Michael Townsend
Thomas Garmong
Kelly Leid

Absent: Aric Jones

Also in attendance:

Josh Miller, Carrie Bartow & Chelsea Gondeck;
CliftonLarsonAllen LLP ("CLA")
Pat Hrbacek; Spencer Fane LLP
Corey Pilato; MSI HOA, LLC
Robert Beacon, Eric Keesen & Judy McNew; BrightView
Jessica Ehlen; YMCA
Stacy Jensen, Resident
Floyd Petty, Resident
Michael & Jennifer Brotten, Residents

Call to Order/
Agenda

Director Rau called the meeting to order at 9:00 a.m. and confirmed a quorum.

Following review, upon a motion duly made by Director Garmong, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the agenda, with the addition of item 8. G. Discussion and Possible Action on Ranch House Refrigerator.

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

RECORD OF PROCEEDINGS

the Secretary of State, and the directors present verbally reaffirmed such disclosures on the record of this meeting.

Consent Agenda

The items listed below are a group of items to be acted on with a single motion and vote by the Board to expedite the handling of limited routine matters. The Board has received the information on these matters prior to the meeting. An item may be moved from the consent agenda to the discussion agenda, if desired. Items on the consent agenda are then voted on by a single motion, second, and vote by the Board.

- A. Review and Consider Approval of Minutes of the April 25, 2019 Meeting
- B. Review and Consider Acceptance of Unaudited Financial Statements as of April 30, 2019
- C. Review, Ratify and Approve Claims

Upon a motion duly made by Director Leid, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the Consent Agenda, as presented.

Community Comments

Mr. Petty inquired on Ranch House roofing repairs and Mr. Miller noted that they were under contract. Mr. Brotten inquired on the installation of trash can and dog stations in Vista Park and landscaping replacements. Director Rau noted that these issues are being addressed.

CAB Update

Mrs. Jensen reviewed the CAB report with the Board.

Financial Matters

- A. Review and Consider Approval of 2018 Audit

Ms. Bartow reviewed the audit with the Board. Following discussion, upon a motion duly made by Director Garmong, seconded by Director Leid and, upon vote, unanimously carried, the Board approved the 2018 audit subject to a final unqualified auditor opinion.

Administrative Matters

- A. Recreation Center Operations – YMCA Operations Report

Ms. Ehlen reviewed the YMCA Operations Report with the Board.

- B. Landscape Maintenance Operations – BrightView Landscape Maintenance Operations Report

RECORD OF PROCEEDINGS

Mr. Beacon reviewed the BrightView Landscape Maintenance Operations Report with the Board.

C. Covenant Control Operations – MSI Covenant Control Operations Report

Ms. Pilato reviewed the MSI Covenant Control Operations Report with the Board. Discussion ensued on postponing tree violations until there is a resolution on the City policy.

D. Other

None.

Manager's Matters

A. District Manager's Report

Mr. Miller noted management's involvement in the on-going landscaping, snow removal, and tree replacement efforts addressed by BrightView and MSI.

B. Ratify Approval of Service Agreement with Haynes Mechanical Systems, Inc. for Air Conditioner Leak and Furnace Repairs

C. Ratify Approval of Service Agreement with Haynes Mechanical Systems, Inc. for Pool Repairs

D. Ratify Approval of Service Agreement with Top Gun Cleaning & Restoration, Inc. for Ranch House Repairs

E. Ratify Approval of Change Order with Top Gun Cleaning & Restoration, Inc. for Pump Room Plumbing

Following discussion, upon a motion duly made by Director Garmong, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved items 8. B, C, D and E.

F. Discuss Landscaping Requests on District Maintained Land

Mr. Miller noted inquiries from residents in both the carriage homes and bungalows desiring to make landscaping changes to front-yards that are maintained by the District. Director Rau requested that management work with Director Garmong and MSI to address the requests.

G. Discussion and Possible Action on Ranch House Refrigerator

RECORD OF PROCEEDINGS

Following discussion, upon a motion duly made by Director Garmong, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved a service agreement for a new refrigerator.

Attorney Matters

A. Update on 7144 Jagged Rock Circle

Mr. Hrbacek noted the District had recorded a lien.

B. Discuss and Consider Adoption of an Updated Enforcement and Fines Policy

Mr. Hrbacek reviewed the policy with the Board. Following discussion, upon a motion duly made by Director Leid, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the updated Enforcement and Fines Policy.

C. Discuss and Consider Approval of Cooperation Agreement by and Among District No. 1, District No. 2, District No. 3, District No. 4 and District No. 5

Following discussion, upon a motion duly made by Director Garmong, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Cooperation Agreement by and among District No. 1, District No. 2, District No. 3, District No. 4 and District No. 5.

D. Discuss and Consider Appointment of up to Two Individuals to Serve as District Representatives on Behalf of District No. 1 on the Committee to be Formed Pursuant to Cooperation Agreement

Following discussion, upon a motion duly made by Director Townsend, seconded by Director Garmong and, upon vote, unanimously carried, the Board approved the appointment of Director Garmong and Director Leid to the Committee.

E. Discuss and Consider Approval of District Facilities Agreement by and between District No. 1 and Regional District No. 1

Following discussion, upon a motion duly made by Director Garmong, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the District

RECORD OF PROCEEDINGS

Facilities Agreement by and between District No. 1 and Regional District No. 1.

Director Matters

None.

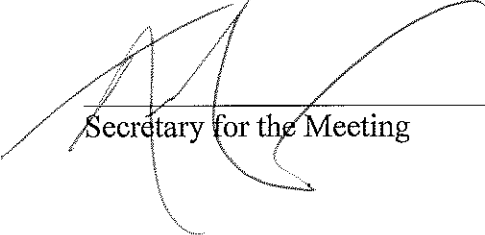
Other Business

None.

Adjournment

With no further items to come before the Board, upon a motion duly made by Director Garmong seconded by Director Townsend and, upon vote, unanimously carried, the Board adjourned the meeting at 9:48 a.m.

Respectfully submitted,



Secretary for the Meeting