

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 2
HELD JULY 18, 2019**

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 2 (referred to hereafter as "Board" or "District") was held on July 18, 2019 at the North Tree Ranch House, 6885 Vista del Pico, Colorado Springs, CO 80927 at 10:00 a.m. The meeting was open to the public.

Attendance Directors in attendance were:

Don Knechtel
Stacy Jensen
Jason Brockman
Dave Duman

C. Dallas Pierce was absent and excused.

Also in attendance were:

Matt Ruhland; Collins, Cockrel & Cole
Wendi McLaughlin and Carrie Bartow; CliftonLarsonAllen LLP

Call to Order/

Agenda

President Knechtel called the meeting to order at 10:07 a.m. and confirmed a quorum. Upon a motion duly made by Director Brockman, seconded by Director Knechtel and, upon vote, unanimously carried, the Board approved the agenda as amended (added Authorize Audit Extension) and excused the absence of Director Pierce.

Qualifications/

Disclosures

Of Potential

Conflicts of

Interest

All Directors are homeowners in the District and file annual conflict of interest disclosures with the Secretary of State. There were no conflicts of interest related to specific agenda items on the agenda and the Directors present verbally reaffirmed such disclosures on the record of the meeting.

Public

Comment

None.

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District Matters

A. Review and Approve April 25, 2019 Regular Meeting Minutes

Following review and discussion, upon a motion duly made by Director Brockman, seconded by Director Duman and, upon vote, unanimously carried, the Board approved the April 25, 2019 Regular Meeting Minutes.

B. Review and Consider Approval of 2018 Audit & Authorize Extension

Ms. Bartow updated the Board regarding the Audit and discussed the need for an extension. Following review and discussion, upon a motion duly made by Director Brockman, seconded by Director Knechtel and, upon vote, unanimously carried, the Board authorized the approval of the 2018 Audit Extension.

C. Review and Accept Draft June 30, 2019 Financial Statements and Updated Cash Position

Ms. Bartow presented the Draft June 30, 2019 Financial Statements and Updated Cash Position to the Board. Following review and discussion, upon a motion duly made by Director Jensen, seconded by Director Brockman and, upon vote, unanimously carried, the Board Approved the Draft June 30, 2019 Financial Statements and Updated Cash Position.

D. Discuss and Consider Transferring Funds to Banning Lewis Ranch Metro District No. 1

Following discussion, upon a motion duly made by Director Jensen, seconded by Director Knechtel and, upon vote, unanimously carried, the Board Approved the Transfer of \$225,000.00 of the Districts Funds to Banning Lewis Ranch Metro District No. 1.

E. Other - None

Attorney Matters

A. Executive Session Pursuant to Section §26-6-402(4)(b), C.R.S., Conferences with an Attorney for the Public Entity for the purposes of Receiving Legal Advice on Specific Legal Questions

The Board determined that an Executive Session was not necessary.

B. 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 Knechtel, seconded by Director Duman and, upon vote, unanimously carried, the Board Approved the

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Cooperation Agreement by and among District No. 1, District No. 2, District No. 3, District No. 4 and District No. 5.

- C. Discuss and Consider Appointment of up to Two Individuals to Serve as District Representative on Behalf of District No. 2 on the Committee to be Formed Pursuant to Cooperation Agreement

Following discussion, upon a motion duly made by Director Knechtel, seconded by Director Duman and, upon vote, unanimously carried, the Board Appointed Director Duman and Director Knechtel to Serve as District Representative on Behalf of District No. 2 on the Committee to be Formed Pursuant to the Cooperation Agreement by and among District No. 1, District No. 2, District No. 3, District No. 4 and District No. 5.

- D. Other - None

Director Matters

- A. Communicating with BLR#1 Regarding 2020 Budget Requests
i. Review list of Projects to submit to BLR No. 1

The Board compiled a list of projects to submit to Banning Lewis Ranch No. 1 for consideration. This list will be considered at the next regular meeting, October 24, 2019.

- B. Confirm Quorum for Next Regular Meeting Date – October 24, 2019 at 10:00 a.m.

The Board discussed the next Regular Meeting Date and Time. Following discussion, upon a motion duly made by Director Jensen, seconded by Director Brockman and, upon vote, unanimously carried, the Board approved to hold the next Board meeting on, October 24, 2019 at 10:00 a.m.

- C. Other - None

Adjournment There being no further business to come before the Board, the meeting adjourned at 12:00 p.m.

Respectfully submitted,



Secretary for the Meeting