

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARDS OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NOS. 4, 5 & 7
BANNING LEWIS RANCH REGIONAL METROPOLITAN DISTRICT
HELD
AUGUST 2, 2018**

A special meeting of the Boards of Directors of the Banning Lewis Ranch Metropolitan District Nos. 4, 5 & 7 and Banning Lewis Ranch Regional Metropolitan District (referred to hereafter as the "Board") was held on August 2, 2018 at the North Tree 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:

Bruce Rau
Aric Jones
Michael Townsend

Absent: William Ritchie & Charles P. Leder

Also in attendance:

Josh Miller, Chelsea Gondeck, &
Carrie Bartow; CliftonLarsonAllen LLP
Pat Hrbacek; Spencer Fane LLP

Call to Order/
Agenda

Director Rau called the meeting to order at 10:10 a.m. and confirmed a quorum.

Following review, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the agenda with the following additions: Review and Consider Approval of a Resolution of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 4, City of Colorado Springs, Colorado, Adopting a System Development Fee; Review and Consider Approval of a Resolution of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 5, City of Colorado Springs, Colorado Adopting a System Development Fee; Review and Consider Approval of Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch Metropolitan District No. 1 and Banning Lewis Ranch Regional Metropolitan District; Review and Consider Acceptance of Costs, and Approval of Reimbursement of Such Costs, Pursuant to the Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch Regional MD.

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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.

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 November 8, 2017 Special Meeting

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

Discussion Agenda

Community
Comments

None.

Financial Matters

None.

Administrative
Matters

None.

Attorney Matters

A. Review and Consider Approval of District Facilities Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch MD No. 4

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- B. Review and Consider Approval of District Facilities Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch MD No. 5
- C. Review and Consider Approval of Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch MD No. 4
- D. Review and Consider Approval of Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch MD No. 5

Following discussion, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the District Facilities Agreements between Banning Lewis Ranch MD No. 1 and No. 4; No. 1 and No. 5 (items A & B) and the Advance, Acquisition and Reimbursement Agreements between Banning Lewis Ranch MD No. 1 and No. 4; No. 1 and No. 5; No. 1 and the Regional Metropolitan District (items C, D & K).

- E. Conduct Public Hearing to Consider Petitions for Inclusion of Property into Banning Lewis Ranch MD No. 4; Consider Resolution for Approval of Petition for Inclusion of Property into Banning Lewis Ranch MD No. 4

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board opened the public hearing at 10:14 a.m. No public comment was heard.

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board closed the public hearing at 10:14 a.m.

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board approved the Resolution for Approval of Petition for Inclusion of Property into Banning Lewis Ranch MD No. 4.

- F. Conduct Public Hearing to Consider Petitions for Inclusion of Property into Banning Lewis Ranch MD No. 5; Consider Resolution for Approval of Petition for Inclusion of Property into Banning Lewis Ranch MD No. 5

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board opened the public hearing at 10:15 a.m. No public comment was heard.

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Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board closed the public hearing at 10:15 a.m.

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board approved the Resolution for Approval of Petition for Inclusion of Property into Banning Lewis Ranch MD No. 5.

G. Conduct Public Hearing to Consider Petitions for Exclusion of Property from Banning Lewis Ranch Regional MD 4; Consider Resolution for Approval of Petitions for Exclusion of Property from Banning Lewis Ranch Regional MD

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board opened the public hearing at 10:15 a.m. No public comment was heard.

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board closed the public hearing at 10:15 a.m.

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon a vote unanimously carried, the Board approved the Resolution for Approval of Petitions for Exclusion of Property from Banning Lewis Ranch Regional MD.

H. Review and Consider Approval of Proposed Amended Service Plan for Banning Lewis Ranch Regional MD

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Proposed Amended Service Plan for Banning Lewis Ranch Regional MD.

I. Review and Consider Approval of a Resolution of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 4, City of Colorado Springs, Colorado Adopting a System Development Fee

J. Review and Consider Approval of a Resolution of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 5, City of Colorado Springs, Colorado Adopting a System Development Fee

Upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the

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Board approved the Resolutions Adopting a System Development Fee for Banning Lewis Ranch Metropolitan Districts No. 4 and No. 5 (items I & J).

- K. Review and Consider Approval of Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch Metropolitan District No. 1 and Banning Lewis Ranch Regional Metropolitan District

Approved by the Board in an earlier motion.

- L. Review and Consider Acceptance of Costs, and Approval of Reimbursement of Such Costs, Pursuant to the Advance, Acquisition and Reimbursement Agreement between Banning Lewis Ranch MD No. 1 and Banning Lewis Ranch Regional MD

Following review and discussion, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board accepted the costs presented and approved reimbursement of such costs in the amount of \$1,135,659.65.

Director Matters

- A. Other

Director Rau raised a question on bond issuance and Ms. Bartow clarified.

Other Business

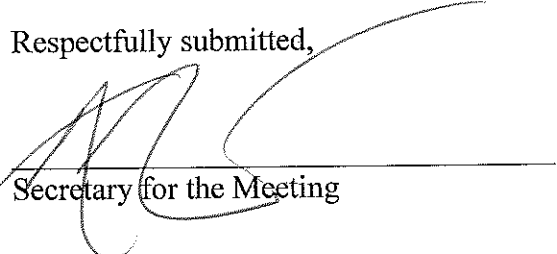
- A. Confirm Quorum for Next Meeting Date – November 8, 2018

The Board confirmed a quorum for November 8, 2018.

Adjournment

Following discussion, with no further items to come before the Board, upon a motion duly made by Director Jones seconded by Director Townsend and, upon vote, unanimously carried, the Board adjourned the meeting.

Respectfully submitted,


Secretary for the Meeting