

RECORD OF PROCEEDINGS

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**MINUTES OF THE ORGANIZATIONAL MEETING  
OF THE BOARD OF DIRECTORS OF THE  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 8  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 9  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 10  
BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 11  
HELD  
DECEMBER 13, 2018**

The organizational meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District Nos. 8, 9, 10, & 11 (referred to hereafter as the "Board") was held on December 13, 2018 at the North Tree Ranch House, 6885 Vista del Pico, Colorado Springs, CO 80927 at 8:00 a.m. The meeting was open to the public.

Attendance

Directors in attendance were:

Bruce Rau (by telephone)  
Aric Jones (by telephone, then in person)  
Thomas Garmong (by telephone)  
Michael Townsend  
Charles Leder (by telephone)

Also in attendance were:

Carrie Bartow, Josh Miller, & Chelsea Gondeck;  
CliftonLarsonAllen LLP  
Pat Hrbacek; Spencer Fane LLP  
Jennifer Ruby, Walton Global Holdings, Ltd. (by telephone)

Call to Order/  
Declaration of  
Quorum

Director Rau called the meeting to order at 8:02 a.m. and confirmed a quorum.

Affidavits of  
Qualification/  
Oaths of Office  
and Bonds

It was noted that all requirements for the initial board members have been met, they are each duly qualified to assume their positions on the board of directors, oaths of office have been completed and public official position schedule bonds are in place.

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.

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<u>Consider Approval of Agenda</u>	Following review, upon a motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the agenda.
<u>Discussion of Service Plan, Districts Organization, District Powers, Election Results</u>	Mr. Hrbacek reviewed the service plan noting that the City of Colorado Springs had approved it. Mr. Hrbacek also discussed with the Board the District organization, the District Powers, and election results.
<u>Discussion of Open Meetings Requirements</u>	Mr. Hrbacek reviewed the open meeting requirements with the Board.
<u>Election of Officers/ Duties of Board, President, Secretary, Treasurer</u>	<p>The Board considered the appointment of officers. Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board appointed the following slate of officers:</p> <p>President – Bruce Rau Secretary/Treasurer – Aric Jones Assistant Secretary – Thomas Garmong Assistant Secretary – Charles Leder Assistant Secretary – Michael Townsend</p>
<u>Adoption of Seal</u>	Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the seals.
<u>Ratification of Past Actions</u>	Following discussion, upon motion duly made by Director Leder, seconded by Director Jones and, upon vote, unanimously carried, the Board ratified past actions.
<u>Consider Engagement of Manager, Accountant, Engineer, Attorney, and Other Consultants</u>	Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the engagement of CliftonLarsonAllen LLP (CLA) for management and accounting services, SpencerFane LLP for legal services, and authorized Director Jones to sign the engagement letters on behalf of the District.
<u>Adopt Annual Administrative Matters Resolution</u>	<p>A. <u>Regular/Special Meetings</u> B. <u>Official Designated Posting Place</u> C. <u>Office Location and Contact Person</u> D. <u>Meeting Location (s)</u></p>

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Director Rau directed that District Nos. 8, 9, 10, and 11 meet annually in conjunction with District Nos. 1, 2, 3, 4, 5 (1-5), and Regional Nos. 1 and 2. Director Rau directed that the official designated posting place be within the District boundaries and in conjunction with District Nos. 1-5 and Regional Nos. 1 and 2. Director Rau directed that the office location be the Colorado Springs office for CLA (111 South Tejon Street, Suite 705) and the contact person be District Manager, Josh Miller. Director Rau directed that the meeting location be the Ranch House located at 6885 Vista Del Pico Blvd. Upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Annual Administrative Matters Resolution.

Consider  
Approval of  
Payment of  
Organizational  
Costs

This item was tabled.

Special District  
Map Disclosure  
pursuant to  
C.R.S. § 32-1-  
104.8

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the disclosure of the special district map.

Workers  
Compensation for  
Board Members

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Resolution providing exclusion from workers compensation for the District Board members.

Governmental  
Immunity and  
Indemnification  
Resolution

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Resolution regarding governmental immunity and indemnification.

Adoption of  
Colorado Open  
Records Act  
Resolution

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Resolution regarding the Colorado Open Records Act.

Insurance:  
Ratification of  
Public Official  
Position Schedule  
Bonds

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board ratified the public official position schedule bonds.

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Membership in Special District Association and CSD Pool Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved membership in the Special District Association and the insurance pool.

Selection of Bank, Designation of Official Custodian, PDPA Application Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the selection of First Bank, designated the Treasurer as the Official Custodian, and approved the execution of the PDPA application for each District.

Federal Employer Identification Number, Sales Tax Exemption Number Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the execution of the application for Federal Employer Identification Number and Sales Tax Exemption Number for each District.

Notification to Assessor of New District and Intent to Levy Taxes Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the notification of the Assessor of the new Districts and intent to levy taxes.

Adoption of 2018 Budgets/ Adoption of 2019 Budgets A. Discuss hearing on the proposed budgets for the fiscal year 2018  
B. Discuss the proposed 2018 budgets and appropriation of funds  
C. Discuss hearing on the proposed budgets for the fiscal year 2019  
D. Discuss the proposed 2019 budgets and appropriation of funds

Ms. Bartow reviewed the 2018 and 2019 budgets for each District. Upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board opened the public hearing at 8:38 a.m. Hearing no public, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board closed the public hearing at 8:39 a.m. Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the 2018 and 2019 budgets and appropriated funds for each District pending revisions.

Consider Approval of Consumer Data Policy Resolution Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Consumer Data Policy Resolution.

Consider Approval of Developer Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the Developer Funding and

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Funding and  
Reimbursement  
Agreement for  
Operations &  
Maintenance  
Costs

Reimbursement Agreement for Operation and Maintenance Costs pending final legal review.

Consider  
Approval of  
Developer  
Advance and  
Reimbursement  
Agreement for  
Capital Costs

This item was tabled.

Consider  
Improvement  
Acquisition  
Agreement and  
Adoption of  
Reimbursement  
Resolution

This item was tabled.

Other Business

A. Discussion of Development in the District

None.

B. Intergovernmental Agreements Among the Districts

Following discussion, upon motion duly made by Director Jones, seconded by Director Townsend and, upon vote, unanimously carried, the Board approved the entering into of intergovernmental agreements among the districts, pending drafting by the Districts' Attorney and authorized the President to sign on behalf of the Districts.

Adjournment

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 at 8:47 a.m.

Respectfully submitted,



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Secretary for the Meeting