

RECORD OF PROCEEDINGS

**MINUTES OF A SPECIAL MEETING
OF THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN
DISTRICT NOS. 3, 4, 5 & 7
HELD
SEPTEMBER 18, 2012**

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District Nos. 3, 4, 5 & 7 (referred to hereafter as "Board") was held on September 18, 2012 at Oakwood Homes, HC Development & Management Services, Inc., 1290 N. Newport Road, Colorado Springs, CO 80916 at 2:00 p.m. The meeting was open to the public.

Attendance Directors in attendance were:

Gregory J. Barbuto
Chad Ellington

Absent and excused was Director Leder.

Also in attendance were:

David Peak; CliftonLarsonAllen LLP
Carrie Bartow; CliftonLarsonAllen LLP
Matt Dalton, Esq.; Spencer Fane & Grimshaw LLP via telephone
Stacy S. Jensen; Resident of Banning Lewis Ranch
Ben Kley; Falcon Broadband

Call to Order/

Agenda

Director Barbuto called the meeting to order. Following review, upon a motion duly made by Director Barbuto, seconded by Director Ellington and, upon vote, unanimously carried, the Board approved the agenda as amended and excused the absence of Director Leder.

**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

**Appointment
Of New
Directors**

Following nomination and discussion, upon a motion duly made by Director Barbuto, seconded by Director Ellington and, upon vote, unanimously carried, the Board appointed Patrick H. Hamill and Jeffrey P. Carlson to the Board of Directors. The two new Directors have been qualified by the District's Legal Counsel.

**Election of
Officers**

Following discussion, upon a motion duly made by Director Barbuto, seconded by Director Ellington and, upon vote, unanimously carried, the Board elected the following officers:

Director Ellington as Board President
Director Barbuto as Secretary/Treasurer
Director Leder as Assistant Secretary
Director Hamill as Assistant Secretary
Director Carlson as Assistant Secretary

**Joint
Minutes**

Following review, upon a motion duly made by Director Barbuto, seconded by Director Ellington and, upon vote, unanimously carried, the Board approved the minutes of the May 7, 2012 joint special meeting and the minutes of the May 10, 2012 continued special meeting of Banning Lewis Ranch Metropolitan District Nos. 1-5 and 7 as presented.

Minutes

Following review and discussion, upon a motion duly made by Director Ellington, seconded by Director Barbuto and, upon vote, unanimously carried, the Board approved minutes of the December 5, 2011 special meeting and the minutes of the July 31, 2012 special meeting as presented.

**Community
Comments**

None.

**Attorney
Matters**

None.

**Financial
Matters**

A. Consider Appointing David Peak and Carrie Bartow of CliftonLarsonAllen LLP to Prepare the 2013 Budget

Following discussion, upon a motion duly made by Director Barbuto, seconded by Director Ellington and, upon vote, unanimously carried, the Board appointed David Peak and Carrie Bartow of CliftonLarsonAllen LLP to prepare the 2013 budget.

RECORD OF PROCEEDINGS

B. Review 2012 Preliminary Assessed Valuations

Ms. Bartow reviewed the 2012 preliminary assessed valuation with the Board. No action was taken.

**Directors
Matters**

None.

**Manager
Matters**

None.

**Other
Business**

- A. Set Public Hearing Date to Consider Adoption of 2013 Budget – Monday, December 3, 2012 at 1:30 p.m. at Oakwood Homes, 1290 N. Newport Rd., Colorado Springs, Colorado 80916

The Board set Monday, December 3, 2012 as the next meeting date and to hold the public hearing to consider adoption of the 2013 budget.

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

Respectfully submitted,



Secretary for the Meeting