

RECORD OF PROCEEDINGS

**MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
BANNING LEWIS RANCH METROPOLITAN DISTRICT NOS. 3-5 & 7
HELD
SEPTEMBER 24, 2015**

A regular meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District Nos. 3-5 & 7 (referred to hereafter as "Board") was held on September 24, 2015 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 were:

Chad Ellington (via telephone)
Michael C. Tinlin
William Ritchie
Bruce Rau

Also in attendance were:

David Peak, Chuck Reid & Cristen VanNiekerk; CliftonLarsonAllen LLP
Matt Dalton; Spencer Fane, LLP (via telephone)
Marti Wallner & Renee Burton; YMCA Pikes Peak Region
Karen Oerter; MSI, LLC
Keith Woodring; GVR Landscape
Ben Kley; Falcon Broadband, LLC
Stacy S. Jensen; 8098 Hollygrape Lane
Dallas Pierce; 7168 Spring Linden
Yvette Fraticelli; Resident
Art & Debbie DeBrito; 7535 Mountain Spruce Drive
Jason Brockman; Resident
Don Kneethel; Resident
Ray & Julie Bargaen; 8266 Birch Tree Loop
Jeanie McConnell; 7794 Silver Birch Drive

Call to Order/

Agenda Director Tinlin called the meeting to order and confirmed a quorum. Following review, upon a motion duly made by Director Rau, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the agenda as presented.

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

RECORD OF PROCEEDINGS

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.

Approval of Minutes

Following review and discussion, upon a motion duly made by Director Rau, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the minutes of the July 23, 2015 regular meeting as presented.

Community Comments

None.

Attorney Matters

- A. Review and Consider Approval of Advance, Acquisition and Reimbursement Agreement effective January 1, 2014 by and between Banning Lewis Ranch Metropolitan District No. 1, Banning Lewis Ranch Metropolitan District No. 3

Following discussion, upon a motion duly made by Director Rau, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved the Advance, Acquisition and Reimbursement Agreement effective January 1, 2014 by and between Banning Lewis Ranch Metropolitan District No. 1, Banning Lewis Ranch Metropolitan District No. 3.

- B. Conduct Public Hearing and Consider for Approval Resolution Concerning the Inclusion of Filing No. 17A and Appurtenant Properties (District No. 3 Only)

Upon a motion duly made by Director Tinlin, seconded by Director Rau and, upon vote, unanimously carried, the Board opened the public hearing at 9:26 a.m. There being no comment from the public in attendance, upon a motion duly made by Director Tinlin, seconded by Director Rau and, upon vote, unanimously carried, the Board closed the public hearing at 9:28 a.m.

Following discussion, upon a motion duly made by Director Rau, seconded by Director Tinlin and, upon vote, unanimously carried, the Board approved a Resolution Concerning the Inclusion of Filing No. 17A and Appurtenant Properties.

RECORD OF PROCEEDINGS

Financial Matters

A. Appoint District Accountant, Carrie Bartow, and District Managers David Peak and Chuck Reid, to prepare the 2016 Budget

Upon a motion duly made by Director Rau, seconded by Director Tinlin and, upon vote, unanimously carried, the Board appointed District Accountant, Carrie Bartow, and District Managers David Peak and Chuck Reid, to prepare the 2016 Budget.

B. Set Public Hearing Date to Consider 2016 Budget – Thursday, November 19, 2015 at 9:00 a.m.

Upon a motion duly made by Director Tinlin, seconded by Director Rau and, upon vote, unanimously carried, the Board set a Public Hearing to consider 2016 Budget as Thursday, November 19, 2015 at 9:00 a.m.

C. Other

None.

Administrative Matters

A. Ratify Approval of 2014 Annual Report

Upon a motion duly made by Director Tinlin, seconded by Director Rau and, upon vote, unanimously carried, the Board ratified approval of the 2014 Annual Report.

B. Other

None.

Directors Matters

None.

Other Business

A. Confirm Quorum for Next Meeting Date – November 19, 2015

The Board confirmed a quorum for the November 19, 2015 meeting.

Adjournment Following discussion, with no further items to come before the Board, upon a motion duly made by Director Tinlin, seconded by Director Ellington and, upon vote, unanimously carried, the Board adjourned the meeting at 10:17 a.m.

RECORD OF PROCEEDINGS

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Wm. M. A.", written over a horizontal line.

Secretary for the Meeting