

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF THE BANNING LEWIS RANCH METROPOLITAN DISTRICT NO. 3 HELD JUNE 9, 2016

A special meeting of the Board of Directors of the Banning Lewis Ranch Metropolitan District No. 3 (referred to hereafter as "Board") was held on Thursday, June 9, 2016 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:

Bruce Rau, President
William Ritchie, Secretary/Treasurer
Charles Leder, Assistant Secretary*

Absent and excused was Director Chad Ellington

Also in attendance were:

Stacy Jensen; BLR MD No. 2 Board Member; Citizens Advisory Board (CAB)
Floyd Petty; Resident
Cynthia Beyer, Debra Sedgeley; CliftonLarsonAllen LLP
Marti Wallner & Carl Raider; YMCA Pikes Peak Region
Keith Woodring; GVR Landscape
Karen Oerter; MSI, LLC
Troy Craig; Resident
Barbara Rubin; Resident

*Participating via telephone

Call to Order/

Agenda

Director Rau called the meeting to order at 9:02 a.m. and confirmed a quorum. Following review, upon a motion duly made by Director Rau, seconded by Director Ritchie 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 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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Approval of Minutes

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board approved the minutes of the April 20, 2016 special meeting.

Accept Resignation Of Michael Tinlin

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board accepted the resignation of Michael Tinlin from the Board of Directors.

Appointment Of Floyd Petty

Upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board appointed Floyd Petty to the Board of Directors.

Community Comments

None.

Attorney Matters

None.

Financial Matters

- A. Review and Consider Acceptance of Unaudited Financial Statements as of March 31, 2016

Ms. Sedgeley presented the unaudited financial statements and updated cash sheet. Following discussion, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board accepted the unaudited financial statements and associated schedules as presented.

Administrative Matters

None.

Directors Matters

None.

Other Business

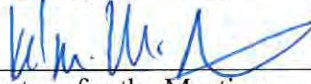
- A. Confirm Quorum for Next Meeting Date – July 28, 2016

The Board confirmed a quorum for Thursday, July 28, 2016.

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Adjournment Following discussion, with no further items to come before the Board, upon a motion duly made by Director Rau, seconded by Director Ritchie and, upon vote, unanimously carried, the Board adjourned the meeting at 9:26 a.m.

Respectfully submitted,



Secretary for the Meeting