

MINUTES OF A JOINT MEETING OF THE BOARDS OF  
DIRECTORS OF SWEETGRASS METROPOLITAN DISTRICT  
NOS. 1, 2 AND 3

Held: 11:30 a.m., October 25, 2012, at 2500 Arapahoe Avenue,  
Suite 220, Boulder, Colorado.

Attendance/ Qualification      The meeting referenced above was held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

Jon R. Lee  
David G. Rhodes  
Kim Lytle

*Also present for the District: Lewis G. Holtsclaw, Secretary to the Board and accountant; Sean Allen, Esq., White, Bear & Ankele, Professional Corporation, District General Counsel.*

Call to Order                      A quorum of the boards was present and the directors confirmed their qualification to serve, and therefore, the meeting was called to order.

Combined Meeting                The districts are meeting in a combined board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the action of Sweetgrass Metropolitan District No. 1 (the "District" or "District No. 1") with concurrence by the Sweetgrass Metropolitan District Nos. 2 and 3 ("District No. 2" and "District No. 3" respectively).

Disclosure Matters                Mr. Allen advised the boards that, pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The agenda for the meeting was reviewed, following which each director confirmed that nothing appeared on the agenda for which disclosure certificates had not been filed. The disclosure certificates had been reviewed and were ordered to be made part of the official minutes of the meeting by reference. Additionally, the boards determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the boards to act.

Agenda                                The agenda was reviewed and approved.

Minutes The minutes of the April 26, 2012, meeting were submitted to the boards for approval. A motion was made by Director Lytle, and seconded by Director Rhodes, to approve the minutes as presented. The motion was approved unanimously.

Financial Matters and Payables Mr. Holtsclaw presented nine months ended financial statements (September 30th) and payables through September 2012 for approval. After further discussion of the statements and payables, a motion was made by Director Lee, and seconded by Director Rhodes to accept the financial statements, and approve the payables as presented. The motion passed unanimously.

2012 Budget Amendments Mr. Holtsclaw presented 2012 budget amendments for District Nos. 1, 2 indicating that additional appropriation is needed in the general funds. Director Lee opened the public hearing on the year-2012 budget amendments for public comment. There being no public comment, the public hearing was closed. Motion was made by Director Lytle, and seconded by Director Rhodes, to approve the year-2012 amended budgets appropriating revenues sufficient for the expenditures noted therein. Motion passed unanimously.

2013 Budget Hearings Mr. Holtsclaw presented the proposed District No. 1 year-2013 budget for consideration. Director Lee opened the public hearing on the year-2013 budget for public comment. There being no public comment, the public hearing was closed. After further discussion, a motion was made by Director Lytle, and seconded by Director Rhodes, to approve the year-2013 budget and appropriate the revenues sufficient for the expenditures noted therein. The motion passed unanimously.

Mr. Holtsclaw presented the proposed District Nos. 2 and 3 year-2013 budgets for consideration. Director Lee opened the public hearing on the year-2013 budgets for public comment. There being no public comment, the public hearing was closed. After further discussion, a motion was made by Director Lytle, and seconded by Director Rhodes, to approve the year-2013 budgets, certify the mill levy, and appropriate revenues sufficient for the expenditures noted therein. The motion passed unanimously.

Adjournment There being no further business to come before the boards and following discussion and upon motion duly made, seconded and unanimously carried, the boards determined to adjourn the

meeting. The foregoing minutes were approved by the boards of directors on April 25 2013, and the foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

*D. S. Bladen*

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Secretary for the Meeting