

MINUTES OF THE JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

SWEETGRASS METROPOLITAN DISTRICT NOS. 1, 2 AND 3

Held: October 25, 2018, at 10:00 a.m. at 2500 Arapahoe Avenue,
Suite 220, Boulder, Colorado.

Attendance A joint regular meeting of the Boards of Directors of Sweetgrass Metropolitan District Nos. 1, 2 and 3 was held as shown above and in accordance with the applicable statutes of the State of Colorado. The following directors were in attendance:

Jon R. Lee
Jessica Brothers
Steve Rane

Also present for the Districts: K. Sean Allen, Esq., White, Bear, Ankele, Tanaka & Waldron, Attorneys at Law, District general counsel.

Director Qualification The Directors in attendance confirmed their qualification to serve.

Combined Meeting The Boards have determined to hold a joint meeting of the Districts and to prepare joint minutes of actions taken by the Districts in such meetings. Unless otherwise noted herein, all official action reflected in these minutes shall be deemed to be the action of all Districts. Where necessary, action taken by an individual District will be so reflected in these minutes.

Call to Order It was noted that a quorum of each of the Boards was present and called the meetings to order.

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, having been reviewed by the Directors, were made part of the official minutes of the meeting by reference. The Boards determined that participation by the Directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Approval of Agenda The Directors reviewed the agenda. Following discussion, upon motion duly made by Director Rane and seconded by Director Brothers, the Boards unanimously approved the agenda.

Approval of Minutes – April 19, 2018 and June 29, 2018 The Boards reviewed the April 19, 2018 and June 29, 2018 meeting minutes. Following discussion, upon motion duly made by Director Brothers and seconded by Director Lee, the Boards unanimously approved the agenda.

Construction Update

Project Status It was noted that the closing of 220 lots will generate \$6.25 Million new public improvement construction.

Approval/Ratification of Public Improvement Construction Contract(s) None.

Contract Report – Bids and Awards, Construction Budgets None.

Financial Matters

District No. 2 Resolution Authorizing the Issuance of Subordinate Limited Tax General Obligation Bonds, Series 2018C The Board reviewed the District No. 2 Resolution Authorizing the Issuance of Subordinate Limited Tax General Obligation Bonds, Series 2018C. Following discussion, upon motion duly made by Director Brothers and seconded by Director Lee, the Board unanimously adopted the resolution.

Funding and Reimbursement Agreement (Capital) with Dacono Development Company, Inc. The District No. 2 Board reviewed the Funding and Reimbursement Agreement (Capital) with Dacono Development Company, Inc. Following discussion, upon motion duly made by Director Brothers and seconded by Director Rane, the Board unanimously approved the agreement.

Financial Report

Financial Statements and Payables Director Rane presented the financial statements date September 30, 2018, current and interim payables for approval. After further discussion of the statements and payables, a motion was made by Director Rane, and seconded by Director Lee to accept the financial statements, and approve the payables as presented. The motion passed unanimously.

2018 Budget Amendment Hearing/Consider Approval of Resolution Amending Mr. Allen reported that notice of the amended 2018 budget public hearing was published accordance with Colorado law. The hearing on the amended 2018 budget was opened for public

2018 Budget

comment, and hearing no comments, the hearing was closed.

Director Rane presented the Board with the 2018 budget amendment for District No. 2. The Board engaged in a general discussion. Following discussion, upon motion duly made by Director Brothers and Director Lee, the Board unanimously adopted the amended 2018 budget and budget resolution.

2019 Budget
Hearing/Consider Adoption
of 2019 Budget Resolution

Mr. Allen reported that notice of the 2019 budget public hearing was published accordance with Colorado law. The hearing on the 2019 budget was opened for public comment, and hearing no comments, the hearing was closed.

Director Rane presented the Boards with the 2019 Budget. The Boards engaged in a general discussion. Following discussion, upon motion duly made by Director Rane and Director Brothers, the Boards unanimously adopted the 2019 Budget and budget resolution.

General Matters

Consider Approval of
Updated Engagement Letter
with White Bear Ankele
Tanaka & Waldron for
Legal Services

Mr. Allen presented the Engagement Letter with White Bear Ankele Tanaka & Waldron for Legal Services to the Boards for consideration. Mr. Allen summarized the nature of the updated provisions and noted specifically the addition of the representative client list section and that the arbitration provision has been revised to make it clear that arbitration applies to this engagement letter as well as any prior engagement with the District. Mr. Allen also noted his firm is not independent as to the engagement, but the Boards could have separate legal counsel review the engagement letter. Following discussion, upon motion duly made by Director Lee and seconded by Director Rane, the Boards unanimously approved engagement with White Bear Ankele Tanaka & Waldron for Legal Services.

Next Regular Meeting

The next meeting of the Boards of Directors will be held on April 25, 2019.

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, 2019, and the foregoing constitutes a true and correct

copy of the minutes of the above-referenced meeting.



Secretary for the Meeting