

MINUTES OF THE JOINT MEETING OF THE BOARDS OF DIRECTORS

SWEETGRASS METROPOLITAN DISTRICT NOS. 1, 2 AND 3

Held: October 22, 2015, at 11:30 a.m. at 2500 Arapahoe Avenue, Suite 220, Boulder, Colorado.

Attendance

A joint 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  
David G. Rhodes

All director absences, if any, are deemed excused unless a contrary notation is recorded in these minutes.

*Also present for the Districts: Steve Rane, Accountant and Secretary; and Sean Allen, White, Bear, Ankele, Tanaka & Waldron, P.C., 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

Director Lee 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.

Agenda	The Directors reviewed and approved the agenda.
Minutes – April 23, 2015	The minutes of the April 23, 2015 meeting were submitted to the boards for approval. A motion was made by Director Lee and seconded by Director Brothers, to approve the minutes as presented. The motion passed unanimously.
Approval/Ratification of Public Improvement Construction Contract	Director Brothers presented and summarized the Public Improvement Construction Contracts. Following discussion, upon motion duly made by Director Brothers and seconded by Director Lee, the current and interim contracts were unanimously approved and ratified.
<b>Project Update</b>	
Approval/ Ratification of Public Improvement Construction Contract(s)	Director Lee commented that as more lots are sold the need for additional capital improvements is triggered such as extending Sweetgrass Parkway, pool and amenity center, parks.
Contract Report—Bids and Awards, Construction Budgets	No action.
<b>Financial</b>	
Financial Statements and Payables	Mr. Rane presented financial statements and payables for approval. After further discussion of the statements and payables, motion by Director Rhodes, second by Director Brothers to accept the financial statements, and approve the payables as presented passed unanimously.
2015 Budget Amendment Hearing/Adoption of Resolution Amending 2015 Budget	Mr. Rane noted there was currently no need for a 2015 budget amendment. No action was taken.
2016 Budget Hearing/Adoption of Budget Resolution	Mr. Rane presented the proposed year-2016 budgets for consideration. Director Lee opened the public hearing for public comment. There being no public comment, the public hearing was closed. After further discussion, a motion was made by Director Rhodes, and seconded by Director Brothers, to approve the year-2016 budget resolutions adopting the 2016 budgets, certify the mill levy, and appropriate revenues sufficient for the expenditures noted therein. The motion passed unanimously.

2010 BAN Maturity Discussion regarding the 2010 BAN 5 year maturity in 2015 and desire to refinance existing debt with additional principal to account for the additional capital advances received by District No. 1.

Senior Bond Refinance/New Money Issue Discussion The Board engaged in general discussion regarding debt refinancing. No action was taken.

**Other Business**

Updated Legal Counsel Engagement Letter Mr. Allen presented the updated legal counsel engagement letter for White Bear Ankele Tanaka & Waldron, P.C. to the Boards for consideration. Following a discussion, a motion was made by Director Brothers and seconded by Director Rhodes to approve the engagement letter. The motion passed unanimously.


SDA Membership/General Liability Insurance/Agent Services The Board engaged in general discussion regarding the SDA Membership dues, general liability insurance and agent services and fees. Following discussion, the Boards approved payment for the SDA Membership dues, the general liability insurance and the agent services and fees. It was also noted that Director Brothers Mr. Rane would be responsible for and will begin working directly with the SDA and CSD Pool for all insurance and membership matters.

Resolution Calling May 2016 Election Mr. Allen presented the Resolution Calling the May 3, 2016 Election to the Boards for consideration. Following discussion, upon motion duly made by Director Brothers and seconded by Director Rhodes, the Boards unanimously approved the resolution.

Next Regular Meeting The next meeting of the Boards of Directors will be held on April 28, 2016.

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 28, 2016, and the foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.

  
Secretary for the Meeting