

MINUTES OF THE JOINT MEETING OF THE BOARDS OF DIRECTORS

SWEETGRASS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Held: October 23, 2014, 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, Professional Corporation, 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	The minutes of the April 24, 2014 meeting were submitted to the boards for approval. A motion was made by Director Lee and seconded by Director Rhodes, 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.
Contract Report—Bids and Awards, Construction Budgets	Director Lee noted that a projected mid-2015 phase 2 closing will generate the need for pool and park construction.
Financial Report/Payables	Mr. Rane presented financial statements and payables for approval. After further discussion of the statements and payables, motion by Director Lee, second by Director Rhodes to accept the financial statements, and approve the payables as presented passed unanimously.
2014 Budget Amendment Hearings	Mr. Rane presented 2014 budget amendments indicating that additional appropriation is needed in the general funds. Director Lee opened the public hearing on the budget amendments for public comment. There being no public comment, the public hearing was closed. Motion was made by Director Lee, and seconded by Director Rhodes, to approve the 2014 amended budgets and amendment resolutions which appropriate additional revenues sufficient for the expenditures noted therein. Motion passed unanimously.
2015 Budget Hearings	Mr. Rane presented the proposed year-2015 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 Lee, and seconded by Director Rhodes, to approve the year-2015 budget resolutions adopting the 2015 budgets, certify the mill levy, and appropriate revenues sufficient for the

expenditures noted therein. The motion passed unanimously.

2010 BAN

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

Updated Legal Counsel Engagement Letter

Mr. Allen presented the updated legal counsel engagement letter for White Bear Ankele Tanaka & Waldron 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.

Public Records Request Policy

Mr. Allen presented the Public Records Request Policy to the Boards for consideration. Following a discussion, a motion was made by Director Rhodes and seconded by Director Brothers to approve and adopt the policy. The motion passed unanimously.

Crime Coverage/Fidelity Bond/Designated Agent Endorsement

Mr. Allen presented the memorandum regarding crime coverage, fidelity bond and designated agent coverage to the Boards for discussion. The boards determined to adjust the crime coverage and Mr. Rane will work with Mr. Allen's office accordingly.

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 23, 2015, and the foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting