

MINUTES OF THE JOINT MEETING OF THE BOARDS OF DIRECTORS

SWEETGRASS METROPOLITAN DISTRICT NOS. 1, 2 and 3

Held: April 24, 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
Kim Lytle
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 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 the agenda.
- Minutes The minutes of the October 24, 2013, 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 passed unanimously.
- Directors Mr. Allen noted that Jessica Brothers was elected to the boards via the cancelled May 2014 director election and that her term will commence in May. Director Lytle announced that she will resign from the boards at the end of the month.
- 2014 Annual Administration Resolution Mr. Allen presented the 2014 Annual Administrative Matters Resolution and noted that the Resolution covered various administrative matters that were required to be attended to by Districts' consultants throughout the year. After further discussion of the Resolution, motion by Director Lee, second by Director Lytle to approve the resolution passed unanimously.
- 2014 Accounting/Construction Management Rates and Service Extension The construction management and accounting services call for hourly rates to be determined annually, and Mr. Rane presented the 2014 hourly rates for these contract services. After a discussion, motion by Director Lee, second by Director Rhodes to accept the 2014 rates passed unanimously.
- Construction Director Lee indicated that construction fund advances are expected to be placed in escrow for use on public improvement construction.
- Financial Report/Payables Mr. Rane presented six month (March 2014) financial statements and payables for approval. After further discussion of the statements and payables, motion by Director Rhodes, second by Director Lytle to accept the financial statements, and approve the payables as presented passed unanimously.
- 2013 Audit Mr. Rane reported that each District qualified for and filed an audit exemption.
- 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

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 October 23, 2014, and the foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.


Secretary for the Meeting