

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

Held: 11:30 a.m., April 26, 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
Kim Lytle
David G. Rhodes

Also present for the Districts: Lewis G. Holtsclaw, Secretary and Accountant; and Sean Allen, 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 October 27, 2011, meeting were submitted to

the boards for approval. A motion was made by Director Rhodes, and seconded by Director Lytle, to approve the minutes as presented. The motion passed unanimously.

Annual Administrative Resolution

Mr. Allen presented the 2012 Annual Administrative Matters Resolution to the boards for their consideration. Mr. Allen noted that the Resolution covered various administrative matters that were required to be attended to by District consultants throughout the year. After further discussion of the Resolution, a motion was made by Director Rhodes, and seconded by Director Lytle to approve the resolution. The motion passed unanimously.

2012 Hourly Rates for Construction Management and Accounting Services

The construction management and accounting services call for hourly rates to be determined, and Mr. Holtsclaw presented the 2012 hourly rates indicating the rates were the same as 2011. After a discussion, a motion was made by Director Rhodes, and seconded by Director Lytle to accept the rates and continued provision of service to the Districts. The motion passed unanimously.

Records Retention

Mr. Allen informed the boards that the Colorado State Archives has developed a public records retention schedule for special district non-permanent public records. Mr. Allen indicated that the Districts could follow the same schedule for the retention of its non-permanent public records or create their own schedule and submit to the State Archives for approval. After discussion Director Rhodes motioned, seconded by Director Lytle, to have the Districts adopt the State Archives retention schedule for the retention and destruction of its non-permanent records.

Construction

No new construction contract activity to report.

Temporary Construction Easement Tract A, Filing No. 1

Director Lee updated the boards on Richmond American Homes' easement agreement for construction of trench/under drains which was discussed at the October 2011 meeting. After discussion, motion by Director Lytle, second by Director Lee, approving the easement agreement. Motion passed unanimously.

Financial Matters and Payables

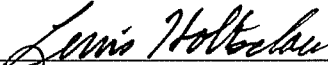
Mr. Holtsclaw presented six months (October 2011 to March 2012) financial statements and payables for approval. After further discussion of the statements and payables, a motion was made by Director Rhodes, and seconded by Director Lytle to accept the financial statements, and approve the payables as presented. The motion passed unanimously.

2011 Audit

Discussion about and approval of the audits for District No. 2 and the exemptions for District Nos. 1 and 3.

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 25, 2012. The foregoing constitutes a true and correct copy of the minutes of the above-referenced meeting.



Secretary for the Meeting