

RECORD OF PROCEEDINGS

MINUTES OF THE CONSOLIDATED SPEICAL MEETING OF THE BOARD OF DIRECTORS OF THE BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 & 2

Held: Tuesday, May 19, 2009 at 8:00 A.M., at 0044 Indian Heights Way, Gypsum, Colorado 81637.

Attendance:

The consolidated special meeting of the Board of Directors of Buckhorn Valley Metropolitan Districts Nos. 1 & 2 was called and held as shown in accordance with the statutes of the state of Colorado.

The following Directors were present:

Samantha Gale
Gayl Hill
Stephen Kelley

David Garton, Jr. was absent

Also present was: Tamara Gilida, Icenogle, Norton, Smith, Gilida & Pogue, P.C. (via telephone conference line).

Call to Order/ Declaration of Quorum:

Director Gale called to order the consolidated special meeting of the Board of Directors of the Buckhorn Valley Metropolitan Districts Nos. 1 & 2 at which time the Secretary of the Board attested that the Notice of this meeting was properly posted within the Districts. Director Gale noted that a quorum of each of the Boards were present.

Disclosure Matters:

Ms. Gilida advised the Board that, pursuant to Colorado law, certain disclosures would be required prior to taking official action at the meeting. The Board reviewed the agenda for the meeting, following which each Board member confirmed the contents of written disclosures previously made, stating the fact and summary nature of any matters, as required under Colorado law, to permit official action to be taken at the meeting.

Director Samantha Gale disclosed that she has a contract for purchase within the Districts and that she is an employee of the developer, for which she is paid a salary of approximately \$70,000. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Gayl Hill disclosed that her husband is a member of

LLC which owns approximately 160+/- AC in District No. 2 and all of District No. 1 and that his financial interest in matters pertaining to the Districts is greater than \$100,000. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Stephen Kelley disclosed that he has an option contract to purchase certain real taxable property within the boundaries of the Districts. He also disclosed that he is the sole proprietor of Kelley Mountain Development, LLC which contracts with Buckhorn Valley Development, LLC to perform engineering services related to the Districts, for which he receives an approximate annual amount of \$75,000.00. This disclosure is associated with approval of items on the agenda that may affect his interests.

Written disclosures of these interests were filed with the Secretary of State prior to the meeting.

Approval of March 17, 2009 and April 27, 2009 Minutes: Director Gale reviewed the minutes of the March 17, 2009 and April 27, 2009 meetings of the Boards of Directors with the Boards. Upon motion and second, the Boards voted unanimously to approve the minutes of their combined meetings on March 17, 2009 and April 27, 2009.

Public Hearing Regarding Petition for Exclusion of 2001 Properties, LLC: Director Gale opened the public hearing regarding the petition for exclusion of 2001 Properties, LLC's property from Buckhorn Valley Metropolitan District No. 1. No one appearing to be heard, the hearing was closed.

Adoption of Resolution Regarding Exclusion of 2001 Properties, LLC: Ms. Gilida presented for the Board's consideration a resolution approving the exclusion of 2001 Properties, LLC's property. After discussion and review, and upon motion and second, the Board unanimously approved the resolution to exclude 2001 Properties, LLC's property from Buckhorn Valley Metropolitan District No. 1.

Adjournment: There being no further business to come before the Board, upon motion and second, the Board voted unanimously to adjourn the meeting.


Secretary for the Meeting