

# RECORD OF PROCEEDINGS

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## MINUTES OF THE CONSOLIDATED SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF THE BUCKHORN VALLEY METROPOLITAN DISTRICTS NOS. 1 & 2

Held: Thursday May 13, 2010 at 8:00 A.M., at 11 Bridger Drive, Gypsum, Colorado 81637.

**Attendance:**

The consolidated special meeting of the Boards of Directors of Buckhorn Valley Metropolitan Districts Nos. 1 & 2 (collectively the "Board of Directors" or "Board") 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  
David Garton, Jr.

Also present were: Tamara Gilida, Icenogle, Norton, Smith, Gilida & Pogue, P.C. (via telephone conference line); Ken Guckenberger, Kutak Rock, LLP, and John Hill, Buckhorn Valley Development, LLC, District Management.

**Call to Order/ Declaration of Quorum:**

Director Gale called to order the consolidated special meeting of the Boards of Directors of the Buckhorn Valley Metropolitan Districts Nos. 1 & 2 at which time the Secretary of the Boards 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 Boards that, pursuant to Colorado law, certain disclosures would be required prior to taking official action at the meeting. The Boards reviewed the agenda for the meeting, following which each Boards 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 her 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 her interests.

Director David Garton, Jr. disclosed that he is a member of the Board of Directors of both Districts. 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.

Election of Officers:

Ms. Gilida advised the Board that, following the recent May directors' elections, the Board should re-elect their officers. Following discussion, and upon motion of Director Garton and second of Director Hill, the Board voted unanimously to elect the following officers to service Buckhorn Valley Metropolitan District No. 1:

President – Samantha Gale

Secretary/Treasurer – Gayl Hill

Assistant Secretary – David Garton, Jr.

Following discussion, and upon motion of Director Garton and second of Director Hill, the Board voted unanimously to elect the following officers to service Buckhorn Valley Metropolitan District No. 2:

President – Samantha Gale

Secretary/Treasurer – Gayl Hill

Assistant Secretary – David Garton, Jr.

Approval of Agenda:

Following review of the meeting's agenda and upon motion of Director Garton and second of Director Hill, the Board voted to approve the agenda for the meeting.

Approval of Resolution Authorizing (Subject to Delegation Parameters) the Issuance of General Obligation Limited Tax Refunding and Improvement Bonds, Series 2010:

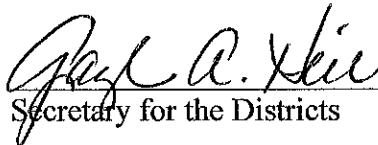
Mr. Guckenberger briefed the Board on the proposed issuance by Buckhorn Valley Metropolitan District No. 2 of Limited Tax General Obligation Refunding and Improvement Bonds, Series 2010 (which partially refund Series 2008) in a principal amount not to exceed \$8,500,000 for the purpose of paying defined "Project Costs," providing capitalized interest for the payment of a portion of the interest on the Bonds and paying other costs in connection with the issuance of the Bonds. Mr. Guckenberger reviewed with the Board all of the documents related to the Bonds. Thereafter, Mr. Matlosz discussed the pricing for the bonds, anticipated for issuance in the par amount of \$7,370,000,

and walked the Board through the reserve account, surplus fund and payment of the 2008 Subordinate Bonds.

After review, consideration and discussion, and upon the motion of Director Hill and second of Director Gale, the Board unanimously approved the Bond Resolution, Limited Offering Memorandum, Subordination Agreement, Bond Purchase Agreement and all authorizations, actions and commitments contained therein.

Adjournment:

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

  
Secretary for the Districts