

RECORD OF PROCEEDINGS

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

Held: Monday, February 29, 2016 at 7:30 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 (the “Boards of Directors” or “Boards”) was called and held as shown in accordance with the statutes of the State of Colorado.

The following Directors were present:

John Hill
David Garton, Jr.
Scott Green (*via telephone conference line*)
Anna Maria Ray (*via telephone conference line*)
Samantha Gale (*via telephone conference line*)

Also present were: Jennifer L. Ivey, Icenogle Seaver Pogue, P.C. (*via telephone conference line*).

Call to Order/ Declaration of
Quorum:

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

Disclosure Matters:

The Boards of Directors 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 John Hill disclosed that he is a party to a contract to purchase taxable property located within the boundaries of the Districts and a beneficiary of a potential profits interest from entities which own taxable property located within the boundaries of the Districts. He also disclosed that he may perform consulting services for Colorado Land Management, LLC, a role in which he carries out the execution of management and project development duties performed for the Districts by

Colorado Land Management, LLC in its management contract with the Districts. He is employed on an at-will verbal consulting agreement, compensation for which varies from time to time and may be greater than \$100,000, and, in part, is derived from compensation for management services by and between Colorado Land Management, LLC and the Districts. In the performance of his duties, Director Hill may, from time to time, perform consulting services for parties which are investigating possible purchases, are purchasing or have purchased lands within the Districts. Such work is generally, but not always, performed on an at-will consulting basis, with compensation on a lump-sum, fixed fee or hourly basis, or may be based on a combination of these or some other basis as of yet undetermined. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director Scott Green disclosed that he is a party to a contract to purchase taxable property located within the boundaries of the Districts. He further disclosed that he is the owner of Scott Green Excavating, Inc., a contractor which currently has contract(s) with the Districts to construct a roadway and ancillary improvements. These improvements are being paid for, in part, by the Districts, with funds from District No. 2's 2010 bond issue. Director Green also disclosed that the compensation to be paid in accordance with the contract(s) is in excess of \$600,000, and that he does not expect his position of Director to enhance his position or the position of Scott Green Excavating, Inc. either competitively or financially. This disclosure is associated with approval of items on the agenda that may affect his interests.

Director David Garton, Jr. disclosed that he owns property within Buckhorn Valley Metropolitan District No. 2 and that he is a party to a contract to purchase taxable property located within the boundaries of the Districts. He further disclosed that he is a member of the Board of Directors of the Buckhorn Valley Master Owners Association and is a member of the Board of Directors of the Single Family Residences at Buckhorn Valley, Inc. This disclosure is associated with the approval of items on the agenda that may affect his interests.

Director Samantha Gale disclosed that she owns property within the Districts and is a party to a contract to purchase taxable property located within the boundaries of the Districts. She also disclosed that she is a member of the Board of Directors of the Buckhorn Valley Master Owners Association and is a member of

the Board of Directors of the Single Family Residences at Buckhorn Valley, Inc. This disclosure is associated with approval of items on the agenda that may affect her interests.

Director Anna Maria Ray reported that she had no conflicts of interest requiring disclosure.

Ms. Ivey advised that written disclosures of these interests were filed with the Secretary of State at least seventy-two hours prior to the meeting.

Approval of/Additions to/Deletions from the Agenda: After review and discussion and upon motion of Director Green and second of Director Garton, Jr. the Boards voted unanimously to approve the agenda as presented.

Public Comment for Matters Not on the Agenda: None.

Approval of Minutes: After review and discussion and upon motion of Director Green and second of Director Hill the Boards voted unanimously to approve the November 17, 2015 consolidated regular meeting minutes.

Legal Matters – Affirmation of Posting Place: After discussion, upon motion of Director Hill and second of Director Garton, Jr., the Boards unanimously affirmed their posting place of public meetings in accordance with Section 24-402(2)(c), C.R.S. as set forth in their 2016 Annual Administrative Resolutions.

Legal Matters – Affirmation of Fees & Charges Increase Per July 24, 2015 Resolution: Ms. Ivey and Director Hill reviewed with the Boards of Directors a resolution adopted July 24, 2015 adopting a revised schedule of fees and charges. This resolution includes an increase in fees and charges effective March 1, 2016.

Upon motion of Director Green and second of Director Gale, the Boards voted unanimously to affirm the March 1, 2016 increases to the fees and charges as set forth in the July 24, 2015 resolution.

Financial Matters: None.

Other Business: Director Hill briefed the Boards on progress in re-development of property for a park in cooperation with the Town of Gypsum.

Adjournment:

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

ASST. Anna Marie P.
Secretary for the Districts