

RECORD OF PROCEEDINGS

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

Held: Friday, April 6, 2018 at 7:00 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 (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
Samantha Gale (*via telephone conference line*)
Scott Green (*via telephone conference line*)

The following directors were absent (*absence excused*)

Anna Maria Ray
David Garton, Jr.

Also present were: None.

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 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.

Mr. Hill advised that Ms. Ivey advised him 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, second and unanimous vote the Boards to approve the agenda as presented.

Public Comment for Matters Not on the Agenda: None.

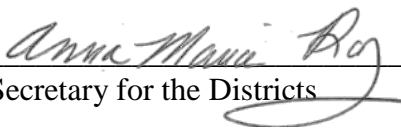
Approval of Minutes: After review and discussion and upon motion of Director Green and second of Director Gale the Boards voted unanimously to approve the January 5, 2018 special consolidated meeting minutes.

Legal Matters – Exclusion of Property from Saddle Ridge Metropolitan District: Director Hill noted that Ms. Ivey is ill and unable to attend today’s meeting, she provided her thoughts to Director Hill to pass along to the Boards. Director Hill explained that the property that is being considered for exclusion from the Saddle Ridge Metropolitan District is the property that Buckhorn Valley Metropolitan District No. 1 purchased from the previous owner, Owens Financial, for the park. The remainder of the property in the Saddle Ridge Metropolitan District has been purchased by a new developer who is in the initial stages of development planning and has asked the Buckhorn Valley Metropolitan District No. 1 to petition the Saddle Ridge Metropolitan District to exclude its property from the Saddle Ridge Metropolitan District since it does not receive services from the Saddle Ridge Metropolitan District and is not within the new development plan. The new developer has agreed to cover the Buckhorn Valley Metropolitan District No. 1’s costs in processing this exclusion. After review and discussion and upon motion of Director Green and second of Director Gale the Board of Buckhorn Valley Metropolitan District No. 1 voted unanimously to approve petitioning the Saddle Ridge Metropolitan District to exclude the property from its boundaries.

Other Business: Director Hill presented to the Boards a request related to the previous agenda item which was received from the Saddle Ridge Metropolitan District to terminate the Utility Maintenance Agreement between the Districts since it deals primarily with the maintenance of the pond located within the property now owned by Buckhorn Valley Metropolitan District No. 1. After review and discussion and upon motion of Director Green and second of Director Gale the Board of Buckhorn Valley Metropolitan District No. 1 voted unanimously to approve terminating the Utility Maintenance Agreement subject to the approval of the terms thereof by Ms. Ivey and Director Hill.

Adjournment:

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


Secretary for the Districts