

## RECORD OF PROCEEDINGS

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MINUTES OF A REGULAR MEETING OF  
THE BOARD OF DIRECTORS OF THE  
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2  
HELD  
MAY 5, 2006

The regular meeting of the Board of Directors of the Crowfoot Valley Ranch Metropolitan District No. 2 (referred to hereafter as "Board") was convened on Friday, the 5th day of May, 2006, at 9:30 a.m., at the offices of Lowe Enterprises Real Estate Group, 1515 Arapahoe Street, Tower III, Suite 900, Denver, Colorado. The meeting was open to the public.

### ATTENDANCE

#### Directors In Attendance Were:

John R. Waggoner, President  
Allan H. Tenenbaum  
Donald E. Hunt

#### Also In Attendance Were:

Ann E. Finn; Special District Management Services, Inc.

Matthew R. Dalton, Esq. and Russ Dykstra, Esq.; Grimshaw & Harring, P.C.

J. Eric Eckberg; Lowe Enterprises Real Estate Group

### DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Attorney Dalton noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. It was noted that all Directors' Disclosure Statements have been filed.

## RECORD OF PROCEEDINGS

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### ADMINISTRATIVE MATTERS

Agenda: Ms. Finn distributed for the Board's review and approval a proposed Agenda for the District's Regular Meeting. Following discussion, upon motion duly made by Director Hunt, seconded by Director Tenenbaum and, upon vote, unanimously carried, the Agenda was approved.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Hunt, seconded by Director Tenenbaum and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Appointment of Officers: Upon motion duly made by Director Tenenbaum, seconded by Director Waggoner and, upon vote, unanimously carried, the following slate of officers were appointed:

President	John Waggoner
Vice President	Allan H. Tenenbaum
Secretary/Treasurer	Donald E. Hunt

Minutes: The Board reviewed the Minutes of the April 7, 2006 regular meeting. Following discussion, upon motion duly made by Director Hunt, seconded by Director Tenenbaum and, upon vote, unanimously carried, the minutes of the April 7, 2006 regular meeting were approved.

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### FINANCIAL MATTERS

Establish operating checking account: The Board deferred discussion.

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## RECORD OF PROCEEDINGS

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### LEGAL MATTERS

Attorney's items: Attorney Dykstra presented for the Board's review a draft Operation Funding Agreement, Facilities Funding and Acquisition Agreement and a Facilities Fee Resolution. No action was taken by the Board.

Engagement of Underwriter: Director Waggoner presented for the Board's review an Engagement Letter with D.A. Davidson & Co. to serve as underwriter to the District. Following discussion, upon motion duly made by Director Waggoner, seconded by Director Hunt and, upon vote, unanimously carried, the Board approved the engagement of D.A. Davidson & Co. to serve as underwriter to the District and authorized Director Waggoner to negotiate a termination clause.

Proposed 2006 Bond Issuance: The Board entered into discussion regarding the possibility of issuing bonds in the fall of 2006. No action was taken by the Board.


2006 Legislation: Attorney Dalton reported to the Board on new legislation concerning special districts.

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### ADJOURNMENT

There being no further business to come before the Board at this time, upon motion duly made by Director Hunt, seconded by Director Tenenbaum and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully submitted,

By   
Secretary for the Meeting

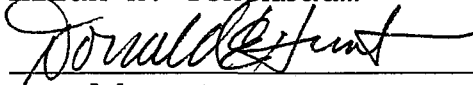
## RECORD OF PROCEEDINGS

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THESE MINUTES APPROVED AS THE OFFICIAL MAY 5, 2006  
MINUTES OF THE CROWFOOT VALLEY RANCH METROPOLITAN  
DISTRICT NO. 2 BY THE BOARD OF DIRECTORS SIGNING  
BELOW:

  
\_\_\_\_\_  
John R. Waggoner

\_\_\_\_\_  
Allan H. Tenenbaum

  
\_\_\_\_\_  
Donald E. Hunt

**RECORD OF PROCEEDINGS**

**MINUTES OF THE JOINT REGULAR MEETING  
OF THE BOARDS OF DIRECTORS OF  
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 1  
CROWFOOT VALLEY RANCH METROPOLITAN DISTRICT NO. 2**

**HELD:** Friday, April 7, 2006, at 9:30 a.m. at 1515 Arapahoe Street, Tower III,  
Suite 900, Denver, Colorado

**ATTENDANCE:**

The joint regular meeting of the Boards of Directors of Crowfoot Valley Ranch Metropolitan District No. 1 and Crowfoot Valley Ranch Metropolitan District No. 2, Douglas County, Colorado, was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following director present and acting:

**Crowfoot Valley Ranch**

Metropolitan District No. 1: John R. Waggoner, President

Allan H. Tenenbaum, Vice-President

Donald E. Hunt, Secretary/Treasurer

There are two vacancies on the Board.

**Crowfoot Valley Ranch**

Metropolitan District No. 2: John R. Waggoner, President

Allan H. Tenenbaum, Vice-President

Donald E. Hunt, Secretary/Treasurer

There are two vacancies on the Board.

Also present was Matthew R. Dalton of Grimshaw & Haring, P.C.

**CALL TO ORDER:**

Director Waggoner noted that a quorum was present for the purpose of conducting a joint meeting of the Boards of Directors and called the joint meeting of the Boards of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 and Crowfoot Valley Ranch Metropolitan District No. 2 to order.

**RECORD OF PROCEEDINGS**

April 7, 2006

Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2

Page 2

**DISCLOSURE OF POTENTIAL CONFLICT OF INTEREST:**

The Boards verbally disclosed potential conflicts of interest by reference, to wit:

Directors Waggoner and Hunt disclosed that they both are associated with Canyons South, LLC, the developer within the Districts

Director Tenenbaum disclosed that he is associated with a lien holder of property within the Districts

Mr. Dalton noted for the record that the general disclosure form for Director Waggoner had been filed with the office of the Colorado Secretary of State on April 5, 2006.

**APPROVAL OF MINUTES:**

The Boards reviewed the minutes of the joint special meeting of the Boards held on February 3, 2006. Following discussion and upon motion duly made, seconded, and unanimously carried, the Boards approved the minutes as presented and authorized Director Hunt as Secretary to execute the minutes as constituting a true and correct record of the proceedings of the joint meeting.

**MANAGEMENT CONSULTANTS:**

Following discussion and upon motion duly made, seconded and unanimously carried, the Boards approved on an hourly basis the engagement of Special District Management for district management services.

**CONSTRUCTION UPDATE:**

Director Waggoner reported to the Boards that the District is seeking bids pursuant to a prior advertisement for the grading project. It is anticipated that the project will begin July 1.

**RECORD OF PROCEEDINGS**

April 7, 2006

Crowfoot Valley Ranch Metropolitan District Nos. 1 and 2

Page 3

**MAY 2, 2006 REGULAR ELECTIONS:**

Mr. Dalton reported to the Boards that the regular elections of the Districts had been cancelled and that Director Waggoner and Director Hunt had been elected by acclamation to serve 4-year terms.

**ADJOURNMENT:**

There being no further business to come before the Boards and upon motion duly made, seconded and unanimously carried, the joint meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes of the above referenced meeting and was approved by the Boards of Directors of the Crowfoot Valley Ranch Metropolitan District No. 1 and the Crowfoot Valley Ranch Metropolitan District No. 2.

  
Secretary/Treasurer