

## RECORD OF PROCEEDINGS

### MINUTES OF THE JOINT SPECIAL MEETING OF THE BOARDS OF DIRECTORS OF TWIN BUTTES METROPOLITAN DISTRICT NOS. 1-4

**HELD:** Thursday, December 12, 2013, at 9:00 a.m. at the offices of Crane Leake Ehlers Bruzzese and Ehlers PC, 102 West 18<sup>th</sup> Street, Durango, Colorado

#### **ATTENDANCE:**

The joint special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 was called and held as shown above and in accordance with the applicable statutes of the State of Colorado, with the following directors present and acting:

Glenn D. Pauls, President  
Eric E. Flora  
Jeffrey A. Perino  
Scott Strand, Treasurer  
Parker S. Newby

No members of the Boards were absent.

Also present were Paula Schler, Secretary to the Boards, and Steven (Willie) Wilson of Twin Buttes of Durango; Denny Ehlers of Crane Leake Ehlers Bruzzese and Ehlers PC; and Matthew R. Dalton of Spencer Fane & Grimshaw LLP (via telephone conferencing)

#### **CALL TO ORDER:**

Director Pauls noted that a quorum was present for the purpose of conducting a joint special meeting by the Boards of Directors and called the meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4 to order.

#### **DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST:**

Mr. Dalton noted that general and transactional disclosure statements had been filed on behalf of the members of the Board of Directors with the office of the Colorado Secretary of State and with the Secretary of the District. Upon motion duly made, seconded and unanimously carried, the Board directed that said disclosures be incorporated herein.

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**APPROVAL OF MINUTES:**

The Boards reviewed the minutes of the special meeting of the Boards held on October 2, 2013. Following discussion and upon a motion duly made, seconded, and unanimously carried, the Board approved the minutes as presented and authorized Ms. Schler, as Secretary to the Boards, to execute the minutes as constituting a true and correct record of the proceedings of the meeting.

**2014 BUDGETS:**

- a. Twin Buttes Metropolitan District No. 1. Director Pauls declared the public hearing on the 2014 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2014 budget.

The Board discussed level of development fees and appropriate changes. Upon motion duly made, seconded and unanimously carried, the Board approved the payment of \$995 due at closing and set the DRC fees at \$1,000 per plan review.

Following discussion of the budget as proposed, the Board was presented for its consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2014 budget, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2014 budget be attached to these minutes and incorporated herein by this reference.

- b. Twin Buttes Metropolitan District No. 2. Director Pauls declared the public hearing on the 2014 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2014 budget. Following discussion of the budget as proposed, the Board was presented for its consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2014 budget, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2014 budget be attached to these minutes and incorporated herein by this reference.

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- c. Twin Buttes Metropolitan District No. 3. Director Pauls declared the public hearing on the 2014 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2014 budget. Following discussion of the budget as proposed, the Board was presented for its consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2014 budget, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2014 budget be attached to these minutes and incorporated herein by this reference.
  
- d. Twin Buttes Metropolitan District No. 4. Director Pauls declared the public hearing on the 2014 budget for the District opened. Mr. Dalton noted that the notice of the public hearing had been published in accordance with Colorado Statutes. No members of the public were present. Upon motion duly made, seconded and unanimously carried, the Board closed the public hearing on the budget. Mr. Wilson reviewed the 2014 budget. Following discussion of the budget as proposed, the Board was presented for its consideration a form of resolution indicating the adoption of the budget and appropriation of the funds as shown. Upon motion duly made, seconded and unanimously carried, the Board approved and adopted the 2014 budget, authorized Director Pauls as President, and Ms. Schler as Secretary to the Board, to sign the necessary documentation, and directed that the budget be filed with the Division of Local Government by Spencer Fane & Grimshaw LLP. The Board further directed that the Resolution adopting the 2014 budget be attached to these minutes and incorporated herein by this reference.

### **ATTORNEY'S ITEMS:**

- a. May 6, 2014 Regular Elections. Mr. Dalton reviewed and discussed the process and procedures for the conduct of the May 6, 2014 regular elections by the Districts. Upon motion duly made, seconded and unanimously carried, the Boards adopted the joint resolution calling the elections.
  
- b. Developer Reimbursement Agreement. Mr. Dalton noted for the record that disclosure of this agenda item had been filed with the Secretary of State as required by statute. The Boards discussed the forms of agreements and the plan for the flow of funds. The Boards tabled the reimbursement agreement, pending preparation of necessary exhibits.
  
- c. Intergovernmental Agreement between the Districts. The Boards tabled discussion and action on the inter-district agreement to a later meeting.

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**OTHER BUSINESS:**

**Twin Buttes Gardens as a Trade Name.** Mr. Wilson reviewed the need to recognize "Twin Buttes Gardens" as a trade name for the Gardens operations. Recognition of this trade name will allow payments made out to Twin Buttes Gardens to be accepted and deposited into District No. 1's current and future operating accounts. Upon motion duly made, seconded and unanimously carried, the Board of District No. 1 resolved to acknowledge and recognize "Twin Buttes Gardens" as an appropriate business trade name for the District Gardens operations and that "Gardens" customers are able to make payments to "Twin Buttes Gardens" which are authorized to be deposited in any of Twin Buttes District No. 1's operating accounts (current and future).

**ADJOURNMENT:**

Following discussion and upon motion duly made, seconded and unanimously approved the Boards adjourned the joint special meeting of the Boards of Directors of the Twin Buttes Metropolitan District Nos. 1-4.

The foregoing minutes constitutes a true and correct copy of the minutes of the above-referenced meeting and was approved by the Boards of Directors of Twin Buttes Metropolitan District Nos. 1-4.

  
Secretary to the Boards