

MINUTES OF A JOINT SPECIAL MEETING OF THE BOARDS
OF DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NOS. 1 & 2

Held: Thursday, October 27, 2011 at 10:00 a.m., at 23801
East Florida Avenue, Aurora, Colorado.

Attendance

The meeting referenced above was called and held in accordance with the applicable statutes of the State of Colorado. The following directors, having confirmed their qualification to serve, were in attendance:

District No. 1

Michael Sheldon
Kathleen Sheldon
Rodney Alpert
Scott Alpert

District No. 2

Michael Sheldon
Kathleen Sheldon
Rodney Alpert
Scott Alpert

Also present were: Jennifer Gruber Tanaka, Esq., White, Bear & Ankele Professional Corporation, District general counsel; Irene Borisov, Colorado Management, District manager; and Larry Summers, District construction manager.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Mr. Sheldon noted that a quorum of each of the Boards was present and that the directors had confirmed their qualification to serve, and, therefore, called the meeting to order. The Boards noted the absence of Mr. Appel and excused his absence from the meeting.

Combined Meetings

The Districts are meeting in a combined Board meeting. Unless otherwise noted below, the matters set forth below shall be deemed to be the action of Murphy Creek Metropolitan District No. 1 ("District 1") with concurrence by Murphy Creek Metropolitan District No. 2 ("District 2").

The foregoing minutes were approved on the 16th day of November 2011.

Disclosure Matters

Ms. Tanaka advised the Boards that, pursuant to Colorado law, certain disclosures by the directors may be required prior to taking official action at the meeting. The agenda for the meeting was reviewed following which each director confirmed that nothing appeared on the agenda for which disclosures had not been filed. The disclosures were reviewed by the directors and were ordered to be made part of the official minutes of the meeting.

The Boards determined that participation by the directors with potential conflicts of interest was necessary to obtain a quorum or otherwise enable lawful action to occur.

Agenda

Ms. Tanaka presented the Boards with the agenda for the meeting. Upon motion, duly seconded, the Boards unanimously approved the agenda, as presented.

Public Comment

None.

Adoption of Joint Resolution Concerning Imposition of Development Fees for Commercial Property within Districts

Ms. Tanaka presented the Boards with a Joint Resolution imposing a commercial fee within the boundaries of District Nos. 1 and 2. Ms. Tanaka explained that the prior structure of fees was cost prohibitive to the development of the property due to the current market conditions and, therefore, presented a commercial fee that is similar to that imposed by the Saddle Rock South Metropolitan District Nos. 1-4. Upon motion of Mr. R. Alpert, seconded by Ms. Sheldon, the Boards unanimously adopted the Joint Fee Resolution.

Other Business

Treasurer

Mr. Sheldon recommended that Mr. R. Alpert be made the Treasurer for the Districts. Upon motion of Mr. Sheldon, seconded by Ms. Sheldon, Mr. R. Alpert was appointed Treasurer of the Districts.

Adjournment

There being no further business to be conducted, the meeting was adjourned.

The foregoing constitutes a true and correct copy of the minutes for the above-referenced meeting


Secretary for the Meeting