

MINUTES OF A JOINT REGULAR MEETING OF THE
BOARDS OF DIRECTORS

OF

MURPHY CREEK METROPOLITAN DISTRICT NOS.
1, 2, 3 AND 4

Held: Wednesday, February 17, 2010 at 3:00 p.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:

Michael Sheldon
Kathleen Sheldon
Rodney A. Alpert
Charles Bransfield
Carol Bransfield
Dennis Lyon (District No. 3 only)

Also present were: Marcus R. Sorensen, Esq., White, Bear & Ankele Professional Corporation, general counsel; John Simmons, Simmons & Wheeler, District accountant; Larry Summers, District engineer; Irene Borisov, Colorado Management, District manager; Andy Carroll, District security; Jim Rogers, homeowner.

Director Qualification

The directors in attendance confirmed their qualification to serve.

Call to Order

Director 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.

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 Nos. 2, 3 and 4 ("District 2," "District 3" and "District 4", respectively).

Disclosure Matters

Mr. Sorensen 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 disclosure certificates had not been filed. The disclosure certificates 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

Mr. Sorensen presented the proposed agenda to the Boards. After consideration, a motion was approved unanimously to approve the agenda as presented.

Public Comment

None.

Approval of Minutes

Mr. Sorensen presented the Boards with the minutes from the November 11, 2009 joint regular meeting for their review and consideration. A motion was made by Director K. Sheldon, and seconded by Director Carol Bransfield, to approve the minutes as presented and to ratify all actions taken at such meeting. The motion was approved unanimously.

Financial Matters

Payment of Claims/Financial Report

Mr. Simmons presented payables (check numbers 1895 to 1898) in the amount of \$6,420.41 for the Boards' consideration. After review and discussion, a motion was made by Director Charles Bransfield, and seconded by Director Carol Bransfield to approve payment of the claims presented. The motion was approved unanimously.

Mr. Simmons presented check numbers 1885 and 1894 for ratification in the total amount of \$32,387.66. A motion to ratify the checks as presented was made by Director Charles Bransfield and seconded by Director M. Sheldon. The motion was approved unanimously.

Mr. Simmons presented the end of year 2009 financials for review by the Boards. The Boards discussed the same and projections for 2010.

Legal Matters

May 4, 2010 Election

Mr. Sorensen advised the Boards that the May 4, 2010 elections for District Nos. 1-4 have been cancelled and all directors desiring to be re-elected have been deemed elected by acclamation. Also Ms. Kammy Tinney has been elected by acclamation in District No. 3. Mr. Sorensen advised the Boards that he would be making the necessary election cancellation filings as required by law.

District Manager Report

2010 Pool Maintenance Contract

Ms. Borisov presented the Boards with the 2010 pool maintenance contract along with a proposal to approve startup costs related to the pool facility in an amount not to exceed \$4,000. A motion to approve the pool contract and startup costs as presented for 2010 was made by Director Lyon and seconded by Director M. Sheldon. The motion was approved unanimously.

Pool Fence Reinforcement Bids

Ms. Borisov presented the Boards with a proposal from @ Yur Service, LLC in the amount of \$2,600 to install fence reinforcements surrounding the pool area to avoid future damage and break-ins. After discussion by the Boards, a motion to approve the pool contract and startup costs as presented for 2010 was made by Director Carol Bransfield and seconded by Director Lyon. The motion was approved unanimously.

2010 Mosquito Treatment

Ms. Borisov presented the Boards with the 2010 Mosquito Treatment bid from H.S.I in an amount of \$1,100. Mr. Summers commented that H.S.I. has done a very respectable job in the past and that their bid is highly competitive price-wise. After discussion and review by the Boards, a motion was made by Director K. Sheldon and seconded by Director M. Sheldon to approve the contract with a reduction of \$2,000. The motion was approved unanimously.

Access to Amenities for Homeowners with Delinquent Operations Fees Accounts

The Boards engaged in a discussion regarding the current properties with outstanding Operations Fees. The Boards then discussed the idea of refusing access to District amenities for homeowners with delinquent operations fees accounts. A motion to deny access to delinquent property owners and send letter to homeowners notifying them of the same was made by Director M. Sheldon and seconded

by Director K. Sheldon. The motion was approved unanimously.

Common Area Driveway Matter

Mr. Summers provided the Boards with an update of the actions that he, along with the assistance of Keesen, had taken on behalf of the District to mitigate any pooling water that occurred at this site on District property. No action was taken by the Boards.

**Replacement of Front Yard Trees
(Parkways Sub-Association)**

The Boards engaged in a discussion regarding dying trees and whether the property containing the dying trees was owned by the District or HOA. Homeowner, Mr. Jim Rogers, was present on behalf of the Murphy Creek Parkways HOA to request that if the property is owned by the Districts that the Districts take the initiative to replace the trees, or alternatively, remove them entirely. After Discussion, the Boards determined to table this issue until the next meeting to allow further research into this issue and engage in discussion with the District's Engineers and consultants in order to determine ownership and code requirements for the property.

**Request from Homeowner for
Installation of Trees**

Ms. Borisov presented the Boards with a request from a homeowner to install additional trees in landscaping buffer near her home bordering District property. Director Sheldon stated that all landscaping was currently in compliance with the site plan and recommended the District should not take any action regarding this matter at this time.

Security Update

General District Security Matters

Mr. Carroll updated the Boards regarding continuing increase in crime within Districts as well as traffic violations and clubhouse parking violations. Mr. Carroll and Ms. Borisov advised the Boards that it would be advisable to install no parking signs in the clubhouse parking lot and request that a towing company enforce the no-parking requirement. After discussion by the Boards regarding this request, a motion was made by Director M. Sheldon and seconded by Director R. Alpert to follow the recommendation of Mr. Carroll and Ms. Borisov to install no parking signs and request a towing company enforce the same. The motion was approved unanimously.

Construction Update

None.

Other Business


Next Meeting

The next meeting will be held on April 21, 2010 at 3:00 P.M.

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

The foregoing minutes were approved on the 21st day of April 2010.