

RECORD OF PROCEEDINGS

MINUTES OF A SPECIAL MEETING OF THE BOARD OF DIRECTORS OF PLUM CREEK METROPOLITAN DISTRICT HELD SEPTEMBER 29, 2009

A special meeting of the Board of Directors of the Plum Creek Metropolitan District was held on Tuesday, September 29, 2009 at 9:00 a.m., in the office of Folkestad Fazekas Barrick & Patoile, P.C., located at 18 S. Wilcox St., Suite 200, Castle Rock, Colorado. The meeting was open to the public.

Attendance

In Attendance were Directors:

David Littler
James Ellington
Curtis Maddock
Peter Rinehart via telephone

Also in Attendance were:

David Peak; R.S. Wells L.L.C.
Bob Brooks; R.S. Wells L.L.C.
James Folkestad; Folkestad Fazekas Barrick & Patoile, P.C.
Adriana Miller; Folkestad Fazekas Barrick & Patoile, P.C.
Kevin Collins; Clifton Gunderson, LLP

Call to Order

The meeting was called to order by Director Littler and a quorum was declared. Upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board approved the agenda as presented.

Disclosure of Potential Conflicts of Interest

The Board noted that disclosures of potential conflict of interest statements for all Directors required to file such disclosures, pursuant to law, are on file and that the statements were filed at least 72 hours prior to the meeting in accordance with Colorado statutes.

Minutes

The Board reviewed the minutes of the April 28, 2009 special meeting, the June 29, 2009 special meeting, and the August 7, 2009 special meeting. Following discussion, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board approved the minutes as presented.

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Financial Matters

A. Review and Accept Financial Statements as of August 31, 2009

Mr. Collins reviewed the financial statements as of August 31, 2009 with the Board. Following review and discussion, upon a motion duly made by Director Maddock, seconded by Director Ellington and, upon vote, unanimously carried, the Board accepted the financial statements as presented.

Mr. Collins reported to Board members that a liquid asset account as well as a checking account was opened with First Bank. CDs in First Bank earn higher interest than in Wells Fargo. The account with Wells Fargo will remain open, however, only with a small balance.

B. Ratify Approval of Claims for May, June and July 2009 Totaling \$21,914.35, Represented by Check Numbers 1016 through 1029

Following review, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board ratified approval of claims for May, June and July 2009 totaling \$21,914.35, represented by check numbers 1016 through 1029.

C. Review and Consider Approval of Claims for August 2009

Following review, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board approved claims for August 2009 totaling \$10,105.42, represented by check numbers 1030 through 1033 as presented.

Administrative Matters

A. Consider Setting Public Hearing Date for 2010 Budget for October 27, 2009

The Board approved the date of October 27, 2009 to hold the public hearing on the 2010 budget.

B. Consider Appointing David Peak, District Manager, and Kevin Collins of Clifton Gunderson LLP as 2010 Budget Officers

Following discussion, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board appointed David Peak and Kevin Collins as 2010 budget officers.

Mr. Collins informed the Board that there was a significant drop in the valuation of vacant land as well as in personal property tax. Board members discussed changes in the valuation of vacant land.

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Legal Matters

A. Discuss Compliance with Senate Bill 2009-087 and Review Transparency Notice

Mr. Folkestad reviewed the requirements of Senate Bill 09-087 and a proposed transparency notice with the Board. The Board considered the options for providing the transparency notice to the eligible electors of the District. Following review and discussion, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board approved posting the transparency notice on the District website.

B. Status of Acceptance of Plum Creek South Filing No. 1 Public Improvements by the Town of Castle Rock

Mr. Folkestad reported that he received a letter from Public Works Department – Town of Castle Rock reflecting that the public improvements were found to be in conformance with the Town standards. The letter serves as a notice of the Town's final acceptance of the infrastructure improvements made by the District.

Mr. Folkestad reported to the Board that he discussed a settlement of \$1,500 with Schmidt Construction. Schmidt Construction was considering the settlement but is not going to change its position regarding the warranty work and decided not to pay the settlement amount to the District. The Board concurred that it would not be cost effective to have the legal counsel pursue the settlement amount or recovery of the amount expended by the District towards the warranty work.

Mr. Folkestad reported to the Board that Rocky Mountain Pavement submitted its lien release which is contingent upon a receipt of the payment from the District.

Director Rinehart raised his concern regarding District's administrative costs. He noted that he expects the costs to decrease since the Plum Creek South Filing No. 1 Public Improvements project is now complete and was accepted by the Town.

Directors' Items

A. Election in May 2010

The Board discussed the May 2010 election. Director Maddock brought up the vacancy on the Board of Directors of the District. Board members concurred that they wish to fill in the vacancy and consider potential candidates who are willing to serve on the Board.

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Other Business

- A. Confirm Quorum for October 27, 2009 Regular Board Meeting –
Public Hearing on 2010 Budget

A quorum was confirmed.

Adjournment

There being no further business to come before the Board, upon a motion duly made by Director Ellington, seconded by Director Maddock and, upon vote, unanimously carried, the Board adjourned the meeting at 10:10 a.m.

The foregoing minutes were approved by the Board of Directors on the 27th day of October, 2009.

The foregoing record constitutes a true and correct copy of the minutes of the above referenced meeting.

Secretary