

# RECORD OF PROCEEDINGS

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## MINUTES OF THE COORDINATED REGULAR MEETING OF

CENTERRA METROPOLITAN DISTRICT NO. 1  
CENTERRA METROPOLITAN DISTRICT NO. 2  
CENTERRA METROPOLITAN DISTRICT NO. 3  
CENTERRA METROPOLITAN DISTRICT NO. 4  
CENTERRA METROPOLITAN DISTRICT NO. 5

HELD  
October 29, 2010

The Boards of Directors of the Centerra Metropolitan District No. 1, Centerra Metropolitan District No. 2, Centerra Metropolitan District No. 3, Centerra Metropolitan District No. 4, and Centerra Metropolitan District No. 5 held a coordinated regular meeting, open to the public, at the office of McWhinney, 2725 Rocky Mountain Avenue, Loveland, Colorado 80538, at 1:00 p.m., Friday, October 29, 2010. Notice of the meeting has been duly posted with the Larimer County Clerk and Recorder and posted in three public places within the boundaries of each District.

ATTENDANCE:

Directors in Attendance:

Jay Hardy, Vice President & Assistant Secretary  
Josh Kane, Assistant Secretary/Treasurer  
Tom Hall, Secretary

Directors Absent and Excused:

Kim Perry, President  
Doug Hill, Treasurer & Assistant Secretary

Also in Attendance:

Alan Pogue, Icenogle, Seaver, & Pogue (via phone)  
Peggy Dowswell, Pinnacle Consulting Group Inc.  
Carla Hawkins, Pinnacle Consulting Group Inc.  
Rich Shannon, Pinnacle Consulting Group Inc.

CALL TO  
ORDER

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The meeting was called to order at 1:04 p.m. by Director Jay Hardy, Vice- President of the Boards, noting that a quorum was present. The directors in attendance confirmed their qualifications to serve.

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COMBINED  
MEETING

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The Districts are meeting in a combined Board Meeting. Unless otherwise noted, the matters set forth below shall be deemed to be the actions of the Centerra Metropolitan District No. 1, with concurrence by the Centerra Metropolitan Districts Nos. 2, 3, 4, and 5.

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CONFLICT OF  
INTEREST  
DISCLOSURE

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Mr. Pogue, legal counsel, noted that notices of potential conflicts of interest for all Board Members were filed with the Colorado Secretary of State's Office, disclosing potential conflicts

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as all Board Members are employees of McWhinney Real Estate Services, Inc., which is associated with the primary landowners and developer within the District. Mr. Pogue advised the Board that pursuant to Colorado law, certain disclosures by the Board Members might be required prior to taking official action at a meeting. The Board reviewed the agenda for the meeting, following which each Board Member present confirmed the contents of the written disclosures previously made stating the fact and summary nature of any matters as required under Colorado law to permit official action to be taken at the meeting. Additionally, the Board determined that the participation of the members present was necessary to obtain a quorum or otherwise enable the Board to act.

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### BOND ISSUANCE UPDATE- TERM SHEET

Director Kane gave an update on the progress of Bond Issuance and presented the US Bank Term sheet for consideration by the Board. By approving the term sheet, the Board is authorizing a non-refundable payment of \$30,000 Arrangement Fee to US Bank to begin negotiations to finalize the issuance of the bond. He also presented and reviewed a summary outlining the escrow bond proceeds and developer note balance drafted by Ms. Dowswell. After discussion and upon motion duly made by Director Hardy and seconded by Director Kane, it was unanimously

**RESOLVED** to authorize Director Kane to execute the Bond Term Sheet with US Bank and direct Director Kane, Ms. Dowswell and Mr. Pogue to continue negotiations with US Bank on a new Bond issue..

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### PUBLIC COMMENTS

The Board opened the meeting to Public Comments. Upon receiving none, this portion of the meeting was closed.

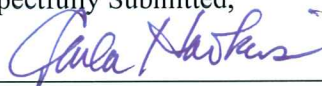
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### ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned at 1:38 p.m.

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

Respectfully Submitted,



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Carla Hawkins, Secretary for the Meeting