

RECORD OF PROCEEDINGS

MINUTES OF A REGULAR MEETING
OF THE BOARD OF DIRECTORS OF THE
DANCING WILLOWS METROPOLITAN DISTRICT
HELD
JANUARY 15, 2007

A regular meeting of the Board of Directors of the Dancing Willows Metropolitan District (referred to hereafter as "Board") was convened on Monday, the 15th day of January, 2007, at 3:00 P.M., at the offices of Remington Homes, 9468 W. 58th Avenue, Arvada, Colorado. The meeting was open to the public.

ATTENDANCE

Directors In Attendance Were:

Charles "Regan" Hauptman, President
William A. "Bill" Angelovic
Steven G. Knoll
Douglas R. Edwards

Upon motion duly made by Director Angelovic, seconded by Director Regan Hauptman and, upon vote, unanimously carried, the absence of Paul "Ron" Hauptman was excused.

Also In Attendance Were:

Lisa Johnson; Special District Management Services, Inc.

Lindsay Burleson, Esq.; McGeady Sisneros, P.C.

Matt Cavanaugh; Remington Homes, Inc.

John Field; MSI, LLC

DISCLOSURE OF POTENTIAL CONFLICTS OF INTEREST

The Board discussed the requirements pursuant to the Colorado Revised Statutes to disclose any potential conflicts of interest or potential breaches of fiduciary duty to the Board of Directors and to the Secretary of State.

Ms. Johnson noted that a quorum was present and requested members of the Board to disclose any potential conflicts of interest with regard to any matters scheduled for discussion at this meeting, and

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incorporated for the record those applicable disclosures made by the Board members prior to this meeting in accordance with the statute. Ms. Burleson noted that all Directors' Disclosure Statements have been filed.

ADMINISTRATIVE MATTERS

Agenda: Ms. Johnson distributed for the Board's review and approval a proposed Agenda for the District's regular meeting. Following discussion, upon motion duly made by Director Angelovic, seconded by Director Regan Hauptman and, upon vote, unanimously carried, the Agenda was approved.

Approval of Meeting Location: The Board entered into a discussion regarding the requirements of Section 32-1-903(1), C.R.S., concerning the location of the District's Board meeting. Following discussion, and upon motion duly made by Director Angelovic, seconded by Director Regan Hauptman and, upon vote, unanimously carried, the Board determined that because there was not a suitable or convenient location within its boundaries to conduct this meeting, it was determined to conduct the meeting at the above-stated location. The Board further noted that notice of this location was duly posted and that they have not received any objections to the location or any requests that the meeting place be changed by taxpaying electors within its boundaries.

Minutes: The Board deferred review of the minutes of the November 20, 2006 regular meeting.

Resolution No. 2007-01-01 regarding 24-hour posting place: The Board considered Resolution No. 2007-01-01 designating the place at which notice will be posted at least 24 hours prior to each meeting. Following review, upon motion duly made by Director Knoll, seconded by Director Regan Hauptman, and upon vote, unanimously carried, the Board adopted Resolution 2007-01-01 as presented. A copy of the Resolution is attached hereto and incorporated herein by this reference.

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FINANCIAL MATTERS

Claims: The Board considered ratifying the approval of the payment of claims for the period ending December 11, 2006, totaling \$11,245.60.

Following discussion, upon motion duly made by Director Knoll, seconded by Director Angelovic, and upon vote, unanimously carried, the Board ratified the approval of the payment of claims, as presented.

The Board then considered approval of the payment of claims for the period ending January 15, 2007, totaling \$5,326.54.

Following discussion, upon motion duly made by Director Knoll, seconded by Director Angelovic, and upon vote, unanimously carried, the Board approved payment of claims for the period ending January 15, 2007, as presented, subject to funding.

Financial Statements: The Board reviewed the unaudited financial statements of the District setting forth the cash deposits, investments, budget analysis, and accounts payable vouchers for the period ending December 31, 2006.

Following review, upon motion duly made by Director Edwards, seconded by Director Knoll and, upon vote, unanimously carried, the unaudited financial statements for the period ending December 31, 2006 were approved, as presented.

LEGAL MATTERS

Facilities Acquisition Agreement between the District and Remington Homes, Inc: Discussion was deferred.

2007 Operation Funding Agreement between the District and Dancing Willows by Remington Homes, Inc.: Discussion was deferred.

Rules and Regulations for the maintenance specifications for all District improvements: Discussion was deferred.

Engineer's Report on reimbursement recommendations for infrastructure costs to Remington Homes: Discussion was deferred.

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Operation and maintenance management of District owned facilities: Mr. Field will provide a detailed scope of work for the Board to review. Attorney Burleson was directed to prepare a Service Agreement for engagement of MSI, LLC for review at the next meeting.

OTHER BUSINESS

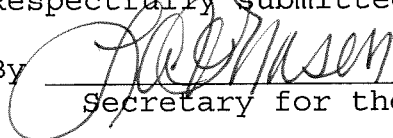
McGeady Sisneros, P.C., Consent: The Board discussed the request by McGeady Sisneros, P.C. ("MS"), to allow MS to include the name of the District in its list of clients to be posted on the MS website. Following discussion, upon motion duly made by Director Regan Hauptman, seconded by Director Edwards and, upon vote, unanimously carried, the Board approved the McGeady Sisneros, P.C., Consent document.

ADJOURNMENT

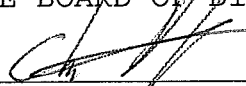
There being no further business to come before the Board at this time, upon motion duly made, seconded and, upon vote, unanimously carried, the meeting was adjourned.

Respectfully Submitted,

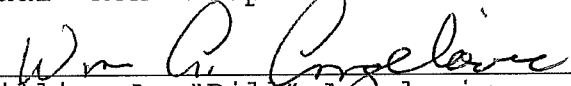
By



Secretary for the Meeting

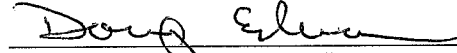
THESE MINUTES APPROVED AS THE OFFICIAL JANUARY 15, 2007
MINUTES OF THE DANCING WILLOWS METROPOLITAN DISTRICT BY
THE BOARD OF DIRECTORS SIGNING BELOW:


Charles "Regan" Hauptman

Paul "Ron" Hauptman


William A. "Bill" Angelovic


Steven G. Knoll


Douglas R. Edwards

RESOLUTION NO. 2007-01-01
RESOLUTION OF THE BOARD OF DIRECTORS
OF DANCING WILLOWS METROPOLITAN DISTRICT
REGARDING POSTING FOR MEETINGS

WHEREAS, Special Districts are required by Subsection 24-6-402(2)(c), C.R.S., to designate annually at the District Board's first regular meeting of each calendar year, the place at which notice will be posted at least 24 hours prior to each meeting.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF DANCING WILLOWS METROPOLITAN DISTRICT AS FOLLOWS:


1. Notices of meetings of the District Board required pursuant to Section 24-6-401, et seq., C.R.S., shall be posted within the boundaries of the District at least 24 hours prior to each meeting at the following location:

On the southwest corner of the
intersection of South Taft Street and
West Ida Drive

2. Notices of regular or special meetings required to be posted at three public places within the District and at the office of the County Clerk and Recorder at least three days prior to said meeting shall continue to be made pursuant to Section 32-1-903(2), C.R.S.

ADOPTED this 15th day of January, 2007.

DANCING WILLOWS METROPOLITAN DISTRICT



Secretary